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LEGISLATIVE HISTORY
Public Law 91-127
H. R. 11612

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INDEX AND SUMMARY OF H. R. 11612

May	23, 1969	House Appropriations Committee reported H. R. 11612. H. Report 91-265. Print of bill and report.
May	26, 1969	House began debate on H. R. 11612.
May	27, 1969	House passed H. R. 11612 with amendments.
May	29, 1969	H. R. 11612 was referred to Senate Appropriations Committee. Print of bill as referred.
June	25, 1969	Senate Appropriations Committee reported H. R. 11612 with amendments. S. Report 91-277. Print of bill and report.
June	26, 1969	Sen. Williams, Del., submitted and discussed proposed amendments to H. R. 11612. He also inserted list of payments of \$60,000. and over.
July	1, 1969	Senate began debate on H. R. 11612.
July	2, 1969	Sens. Javits and Goodell discussed proposed amendments to H. R. 11612.
July	7, 1969	Senate passed H. R. 11612 with amendments. Senate conferees were appointed. Print of H. R. 11612 as passed by Senate.
Oct.	9, 1969	House conferees were appointed on H. R. 11612.
Nov.	18, 1969	House received conference report on H. R. 11612. H. Report 91-657. Summary of changes agreed upon by conferees.
Nov.	19, 1969	Both Houses agreed to conference report on H. R. 11612.
Nov.	26, 1969	Approved: Public Law 91-127.

Hearings: House and Senate Appropriations Committees.

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued May 26, 1969
For actions of May 23, 1969
91st-1st No. 85

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HIGHLIGHTS: House committee reported agricultural appropriation bill. Senate passed Pelican Island, Fla., and Monomoy, Mass. wilderness bills.

HOUSE

1. APPROPRIATIONS. The Appropriations Committee reported H. R. 11612, the Agriculture Department appropriation bill, 1969 (H. Rept. 91-265). A copy of the committee report will be attached to tomorrow's Digest.

SENATE

2. RECLAMATION. Passed without amendment S. 574, to authorize the Secretary of the Interior to undertake feasibility investigations of three Missouri River Basin projects (pp. S5464-5). The bill was reported without amendment on May 22 during adjournment by the Interior and Insular Affairs Committee (S. Rept. 91-186) (p. S5458).

Received from the Colorado Legislature a resolution requesting Congress "to take all action necessary to expedite the construction of the Frying Pan-Arkansas Reclamation Project." pp. S5544-5.

3. WILDERNESS. Passed without amendment S. 126, to designate certain lands in the Pelican Island National Wildlife Refuge, Indian River County, Fla., as wilderness (pp. S5471-2). The bill was reported without amendment on May 22 during adjournment by the Interior and Insular Affairs Committee (S. Rept. 91-198) (p. S5458).

The Interior and Insular Affairs Committee reported without amendment S. 826, to designate certain lands in the Seney, Huron Islands, and Mich. Islands National Wildlife Refuges in Mich., the Gravel Island and Green Bay National Wildlife Refuges in Wisc., and the Moosehorn National Wildlife refuge in Maine, as wilderness (S. Rept. 91-200). p. S5548

Passed without amendment S. 1652, to designate certain lands in the Monomoy National Wildlife Refuge, Barnstable County, Mass., as wilderness (p. S5472). The bill was reported without amendment on May 22 during adjournment by the Interior and Insular Affairs Committee (S. Rept. 91-198)(p. S5458).

4. LIBRARIES. Passed as reported S. 1519, to establish a National Commission on Libraries and Information (pp. S5468-71). The bill was reported with amendment on May 22 during adjournment by the Labor and Public Works Committee (S. Rept. 91-196) (p. S5458).

This bill would include studies of the library and informational needs of the Nation including needs of rural areas and of economically, socially, or culturally deprived persons.

5. ECONOMIC DEVELOPMENT. The Government Operations Committee reported without amendment S. J. Res. 60, to establish a Commission on Balanced Economic Development (S. Rept. 91-201). p. S5548

6. REORGANIZATION. The Government Operations Committee reported without amendment S. 844, to improve the operation of the legislative branch (S. Rept. 91-202). p. S5548

7. FOREIGN AID. Received from the President during adjournment on May 21 "proposed supplemental appropriations for the fiscal year 1969 in the amount of \$160,000, 000, for payment of the first installment of the U. S. share of the 1969-71 increase in the resources of the International Development Association." p. S5457

8. NOMINATION. Confirmed the nomination of Donald Rumsfeld to be Director of the Office of Economic Opportunity (p. S5572). Several Senators commended the nomination (pp. S5459-63).

DEPARTMENT OF AGRICULTURE AND RELATED
AGENCIES APPROPRIATION BILL, 1970

MAY 23, 1969.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. WHITTEN, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H.R. 11612]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Agriculture and related agencies for the fiscal year 1970. The bill covers estimates contained in the 1970 budget appendix, pages 99-197, 909-916, 1017-1021, 1073, and 1086-1090, as amended by House Documents 91-76 and 91-100.

The bill provides for the general operations of the Department of Agriculture and the Farm Credit Administration. Title I includes the regular continuing programs of the Department, such as research; disease and pest control; inspection of meat, poultry, and other foods; school lunch, milk, and food stamp programs; overseas agricultural services; regulation of commodity markets; policing of packers and stockyards; State Experiment Stations and Extension Services; assistance to farm cooperatives; soil and water conservation; crop reports; marketing services; enforcement of the program for licensing and control of laboratory animals; and various service and staff offices. Title II includes the credit programs for rural electrification and rural telephones, and the various loan and grant programs of the Farmers Home Administration. Title III includes Federal Crop Insurance, Commodity Credit Corporation and foreign assistance programs. Title IV includes the Farm Credit Administration.

This bill provides new obligational (budget) authority of \$6,806,655,000, a reduction of \$207,776,050 from the January budget estimate of \$7,014,431,050, and a reduction of \$160,907,050 from the \$6,967,562,050 requested in the revised budget. It is \$1,372,244,650 below funds provided for 1969, a reduction of 17 percent.

When adjusted to reflect collections of \$189,300,000 in fiscal year 1970 from REA loans, the net total of new budget authority is \$6,617,355,000.

UNDERSTANDING OUR MODERN AGRICULTURE

If the United States of America were a primitive, isolated village of twenty persons, and if one of those twenty produced all of the food—and much of the fiber for clothing—consumed by the other nineteen, that one man would be hailed by his fellows as the preeminent contributor to the commonweal. For they would see clearly—in these simple circumstances—that they depended on this single individual for the most basic necessities of life itself.

This great nation is not, of course, a primitive village—far from it. Yet one American on the farm does, in fact, produce nearly all of the food and fiber consumed by nineteen of his fellow citizens.

Not only is this fact little understood today by the 94.4 percent of our people who live in cities and towns, but the whole vast scope of our amazingly productive agricultural economy is a foreign subject to tens of millions of our citizens.

—Many of our children undoubtedly think milk originates in cartons;

—They may believe that meat and poultry begin their trip to market wrapped in plastic;

—They are probably not aware that a woolen suit or cotton shirt did not just grow that way.

These children's parents would not make these mistakes, of course, but they, too, are likely to be unaware of conditions on the farm today, and of the fact that agriculture is still the very cornerstone of our modern way of life.

LABOR AND INDUSTRY'S BEST MARKET

It has been pointed out in many previous reports of this committee that the economic welfare of the Nation's economy is dependent on the economic strength of each segment thereof. Time has proved that labor and industry can be prosperous only to the extent that the agricultural economy is strong and healthy.

Agriculture is the principal source of new wealth. It is the main provider of basic raw materials which support all segments of business and industry. Reliable estimates indicate that each dollar of wealth taken from the soil generates \$7 of income throughout the rest of the economy.

Agriculture is our largest industry. Its assets exceed those of any of the next 10 largest industries. It employs more workers than any other major industry. It employs seven times the number of people in the mining industry, 23 times the number in the oil and coal industry, and five times the number in the automobile industry. In

addition, it supports directly another 10 percent of our nonfarm population which supplies the farmer with his needs and processes and markets his products.

Agriculture is one of the major markets for the products of labor and industry. It spends more for equipment than any of the other large industries. Agriculture uses more steel in a year than is used for a year's output of passenger cars. It uses more petroleum products than any other industry in the country. It uses more rubber each year than is required to produce tires for 6 million automobiles. Its inventory of machinery and equipment exceeds the assets of the steel industry and is five times that of the automobile industry.

But over the years, in spite of government farm programs, industry and labor's share of the consumer's food dollar has risen substantially. Compared with 1950, retail food prices were up almost 40% by 1968. But during that same period, prices received by farmers, while fluctuating from year to year, remained unchanged in the aggregate.

In 1950, the farmer's share of the retail food dollar was 47 cents. By 1968, it was down to 39 cents. Taking several specific examples:

—The farmer receives only 3.3 cents of the retail cost of a loaf of bread, which averaged 22.4 cents in 1968.

—In the same year, he received only 23 cents of the \$4.60 retail price of a cotton business shirt.

—The farmer's component of the 87-cent-per-pound average retail price of beef was only 52 cents per pound.

CHIEF EARNER OF DOLLAR EXCHANGE

One of the important contributions of American agriculture to the national economy has been its contribution to our balance of payments abroad.

Total agricultural exports increased from \$4.5 billion in 1960 to \$6.3 billion in 1968. Exports for dollars rose from \$3.2 billion to \$4.7 billion during this period. During the calendar year 1967, agricultural exports for dollars exceeded agricultural imports by \$585 million. This more than offset the trade deficit for commercial trade of \$400 million in 1967.

From 1961 through 1968, agricultural exports contributed over \$32 billion to our balance of payments. Even though only about 22 percent of total exports are agricultural commodities, they account for over 50 percent of our favorable trade balance.

The efficiency and productivity of U.S. agriculture has made this country the world's largest exporter of food to the many nations of the world. In recent years the export of U.S. agricultural commodities has increased to the point where production from one out of each four acres is sold abroad. In addition to supplying much needed foreign exchange, this has contributed to the domestic economy by providing about 1 million jobs in the agri-business fields.

BOUNTIFUL SUPPLIES OF INEXPENSIVE FOOD

American agriculture continues to make a major contribution to the national welfare through the production of bountiful supplies of high quality and low-cost foods for the Nation's consumers. Food is one of today's best bargains.

This is apparent at the supermarkets, where city consumers can choose from thousands of safe, wholesome, and delicious foods—products of the farms of our 50 States. Using only 17 percent of their income, American consumers can select foods with a knowledge of nutrition and balanced diets that makes this a Nation of healthy and well-fed people. Many people in the world spend half or more of their available income on food. In underdeveloped areas people spend most of their time grubbing a living from the earth.

In 1929, 23.4 percent of consumer income in the United States went for food. This decreased to 22.2 percent in 1950, 20 percent in 1960, and 17 percent last year. This steady decrease has occurred despite the increasing portion of food costs which go for marketing and related services. If the 1960 level of 20 percent had continued through 1968, U.S. consumers would have had \$18 billion less to spend for the products of industry and labor.

HUNGER AND MALNUTRITION IN AMERICA

Few subjects have attracted as much publicity and created as much public outcry in recent months as the alleged existence of hunger and malnutrition in America. No one—least of all the members of this committee—would wish even one of our fellow citizens the misfortune of going to bed hungry.

Last year, this Committee recommended and the Congress approved total funds of approximately \$1.2 billion for the various food distribution programs of the Department of Agriculture. Appropriations recommended by the Committee in the current bill, plus amounts available from section 32 funds, will provide a total of nearly \$1.5 billion for the operation of these programs in fiscal year 1970.

Through the years, real progress has been made in improving public health and extending life expectancy in this country. The food distribution programs for which funds are carried in this bill have made a real contribution to this progress. The following figures indicate the story:

TOTAL DEATHS REPORTED IN THE UNITED STATES FROM SEVERAL NUTRITIONAL CAUSES

	1966	1956	1949	1945	1940	1935
Beriberi.....	14	25	47	46	63	7
Pellagra.....	21	70	321	914	2,123	3,543
Scurvy.....	0	7	22	18	26	30
Active Rickets.....	3	6	65	93	161	261
Malnutrition: general or multiple deficiencies ¹	150	588	799	.....	.....	.....

¹ Changes in the system of reporting deaths have altered the reporting of nutritional diseases from time to time.

RELATIVE LIFE EXPECTANCY IN THE UNITED STATES, MALES AND FEMALES, 1900-66 (in years)

Year of life	1966		1949-51		1929-31		1900-02	
	Male	Female	Male	Female	Male	Female	Male	Female
1.....	65.3	71.9	64.2	68.6	56.6	58.6	48.5	50.0
50.....	22.0	26.8	21.5	24.7	21.0	21.0	19.1	20.3
70.....	10.7	13.1	10.5	12.0	9.0	10.2	8.7	9.6

ATTEMPTS TO FEED NEEDY PEOPLE

It is this committee which has initiated and supported additional efforts to seek out and to care for especially needy cases of malnutrition and hunger. In 1967, the Chairman of this Subcommittee recommended and the Congress approved the following provision:

CONFERENCE REPORT NO. 746 ON DEPARTMENT OF AGRICULTURE
APPROPRIATION BILL, FISCAL YEAR 1968

Amendment No. 37: *Food stamp program*.—The managers on the part of the House intend to offer a motion which will provide \$185 million for this program, \$23,200,000 from prior year balances and \$161,800,000 by direct appropriation. Of the amount provided, \$5 million may be used in needy areas in this program where it may be required to meet problems resulting from the need for special consideration for extremely low-income families.

In 1968, he recommended and the Congress increased the appropriation by \$50,000,000 and passed the following provision:

1969 APPROPRIATION BILL (H.R. 16913—P.L. 90-463) FOR DEPARTMENT OF AGRICULTURE

* * * and (4) not more than \$45 million (including not to exceed \$1 million for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended; and (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food: *Provided*, That in making such determinations, the Secretary shall take into consideration the age; income; location and income of parents, if a minor; and employability.

It is this latter provision of law which has authorized the Secretary of Agriculture to provide free and reduced-price food stamps in several States recently.

EFFORTS TO STRENGTHEN NUTRITIONAL EDUCATION

This committee has long been active in trying to help with nutritional education. Back in 1950, the committee was responsible for an appropriation to prepare and issue one of the first bulletins on the subject of human nutrition, "Family Fare."

It had come to the committee's attention that 36 percent of the young men being called into the draft in World War II had defects which could be attributed to faulty nutrition. So the committee recommended and the Congress agreed to redirect funds which had theretofore been used for a bulletin on keeping livestock healthy to the development of a book on human nutrition.

The debate in the House on this subject can be found in the Congressional Record of April 27, 1950, pages 5925 to 5927. As can be seen from the following quotation, there was some opposition to the committee's proposal at that time:

Mr. WHITTEN. . . . This book succeeds Aunt Sammy's cookbook, printed in 1927, under the Coolidge administration, and for many years thereafter, and it was continued on that basis until a few years ago. I would like to point out that in this pamphlet on Human Nutrition and Care it goes into the various foods, the calciums and the vitamins in general, and how to use foods and retain various elements. That is included in this book. Just yesterday this Congress voted millions and millions of dollars for public health, but to spend a little money here in trying to get the people themselves to study something about human nutrition, of course, it is good politics to laugh about that. I would like to point out to you the fact—and you supported it, and I am not condemning it—that this Congress provided the funds, and the public has demanded these volumes regarding the care and keeping of livestock healthy. In the last 2 or 3 years you have spent five times as much money on keeping livestock healthy, but you say it is ridiculous to give a little attention to human health. Do you know that in the last war about 36 percent of the draftees were turned down because of physical defects—mostly from faulty nutrition? Did you know that in this bill—and if you want to cut it down, you can do so—there is \$83,500,000 for the school-lunch program? And, the testimony shows that the children from well-to-do families in about 50 percent of the cases need nutritious meals just as badly as those of poor people, and which they do not get because of the inadequate supervision and preparation in the home. And that is borne out by the record. Now, that is the book that is before you. Then there is criticism that the Congress distributes 3,000 copies of this book per member, to whom? To the American people. Do you know any way in which to create more interest so that other people will buy them and get general distribution?

No, there is one other way to create more interest in it, and that is to have a few Members get up in Congress and make speeches concerning its publication. They create interest, and those speeches are helpful, because it has created interest in this pamphlet. The interest is such that people all over the country are asking for them.

Of course, our friend, . . . like me was raised on his mother's cooking, and I like to eat like she cooked, but in many cases it perhaps was not always the most nutritious way. It was the way we learned, and the way we like.

If you want to give a little attention to human health, you had better think of the money you spent on 71 previous pamphlets to keep livestock and other animals healthy. You spent millions of dollars yesterday on public health. Let us pay a little bit of attention to preventive medicine, and not wait until the opportunity is gone.

We had it so well pointed out to us in the last war when 36 percent of our youth at the very prime of their lives were physically defective, in most cases because of inadequate diet or bad nutrition. . . .

You will strengthen our hand a little bit if you will recognize value when you see it, and pay a little attention to keeping people healthy instead of putting all your attention on horses and cows and mules, just as you have done. I believe you are going to do it.

This committee tried to keep the faith. We did not appropriate new money to provide this pamphlet. We substituted this for another book on keeping livestock healthy. We believe in putting people first. If that be bad business, make the most of it.

This pamphlet now is the No. 1 bulletin of the Department of Agriculture. Testimony before the committee shows that about 12 million copies have been sent out over the United States. According to the Director of Information of the Department of Agriculture, it has been the most popular bulletin nearly every year since 1950.

TOTAL SPENDING FOR FOOD ASSISTANCE PROGRAMS

The total food distribution expenditures by the U.S. Department of Agriculture during fiscal year 1969 will exceed \$1.2 billion. Since 1960, total funds for combating rural poverty and pushing rural development have increased nearly threefold to \$2.3 billion.

This committee has no authority or desire to relieve parents of the legal obligation to provide for their children. However, this committee and the Congress have generally provided more money than requested in the budget for food distribution purposes, as indicated by the following figures, for the past four years:

FOOD DISTRIBUTION PROGRAMS—COMPARISON OF BUDGET ESTIMATES AND APPROPRIATIONS
[INCLUDES SPECIAL MILK, SCHOOL LUNCH, FOOD STAMP AND DIRECT DISTRIBUTION PROGRAMS]

Fiscal year	Budget	Appropriation	Difference
1969.....	\$1, 114, 468, 000	\$1, 128, 499, 000	+\$14, 031, 000
1968.....	945, 535, 000	939, 625, 000	—5, 910, 000
1967.....	600, 600, 000	701, 455, 000	+100, 855, 000
1966.....	669, 900, 000	672, 900, 000	+3, 000, 000
Grand total, 4 years.....	3, 330, 503, 000	3, 442, 479, 000	+111, 976, 000

The amounts included in the bill and financial plans for 1970 for food assistance programs, together with funds for the current year, are shown in the following table:

FOOD ASSISTANCE PROGRAMS

(In thousands)

	Fiscal year 1969 estimated	1970 Bill
A. CHILD FEEDING PROGRAMS:		
1. Cash grants to States:		
(a) School lunch (Sec. 4).....	\$162,041	\$168,041
(b) Special assistance (Sec. 11).....	10,000	44,800
(c) School breakfast.....	3,500	10,000
(d) Nonfood assistance.....	750	10,000
(e) State administrative.....	750	750
(f) Nonschool food program.....	5,750	10,000
(g) Special milk.....	103,314	-----
(h) Special Section 32.....	43,941	89,000
Total Cash to States.....	330,046	332,591
2. Commodities to States:		
School lunch (Sec. 6).....	64,325	64,325
Section 32 ^a	80,500	90,411
Section 416.....	144,872	146,838
Total Commodities.....	289,697	301,574
3. Federal operating expenses:		
School lunch.....	2,161	3,100
Nonschool feeding.....	500	750
Special milk.....	681	-----
Total operating expenses.....	3,342	3,850
Total, Child Feeding.....	623,085	638,015
B. FAMILY FEEDING PROGRAMS:		
1. Food stamp program.....	279,908	340,000
2. Direct distrib. to families (Reg. program):		
(a) Section 32 ^a	142,141	225,028
(b) Section 416.....	116,539	140,000
Total DD to families.....	258,680	365,028
3. Nutritional supplement (Special packages):		
(a) Special Section 32—Food Stamp Areas.....	1,000	11,000
(b) Section 32 ^a	7,317	22,000
(c) Section 416.....	500	1,500
Total special packages.....	8,817	34,500
Total Family Feeding.....	547,405	739,528
C. DIRECT DISTRIBUTION TO INSTITUTIONS:		
1. Section 32 ^a	1,967	3,800
2. Section 416.....	43,000	29,000
3. VA, Armed Forces, Penal.....	17,875	21,000
Total DD to Institutions.....	62,842	53,800
D. NUTRITION AIDE PROGRAM.....		
	10,000	30,000
Total, Food Assistance Program.....	1,243,332	1,461,343

^a Includes related administrative expense.

EXTENT OF MALNUTRITION AND HUNGER

Today's publicists of the malnutrition problem are claiming that countless millions of our fellow Americans are hungry. It is clear that the facts about the extent of malnutrition must be ascertained before effective action can be taken to meet the problem. Certainly the search

for facts should not be interpreted as a failure to understand or sympathize with the plight of the undernourished among us. Further still, the search for facts has not delayed action by Congress on the recommendation of this committee. For many years, this committee has tried its best to determine the facts regarding the true extent of hunger and malnutrition in the country and to act on them. The record set forth heretofore provides ample evidence of this.

A great many books and pamphlets—including one called “Hunger, USA”—have been given wide distribution recently. In addition, on May 21, 1968, and again on June 16, 1968, the Columbia Broadcasting System (CBS) presented a television program—“Hunger in America”—which was viewed by millions of people. The assertions made in these books and on that program were shocking to all of us.

This committee, after providing the foregoing funds and authority, then set about to determine the facts on which the books and program were based, in order to find a way to seek out and provide for alleviating the suffering of the unfortunate individuals portrayed therein. The committee’s professional surveys and investigations staff conducted a lengthy inquiry into these matters. These trained professionals conduct their studies on a completely independent and unbiased basis. After this investigation was ordered, the members of the committee had no further influence on the conduct of it, or the results and data contained in the staff’s final report.

This special report has been received, and has been published in full in Part V of the hearings on this bill. The facts presented are, in their way, as shocking as the allegations in the books and programs which preceded the report. It appears that many of the incidents described or photographed were staged, as though for a Hollywood production.

The report is now a matter of record—available to anyone who wishes to pursue the subject. But one illustration, concerning the CBS program, will serve to demonstrate the effort made to inflame the American people instead of providing the facts that the people may judge. This section from the report is re-printed here in full:

“A Dying Baby

“Probably the most touching portion of the film, and one which CBS later said, ‘moved the Nation to tears,’ was the scene of a baby being given resuscitation in the hospital after which it appeared motionless. The CBS narrator, Charles Kuralt, made the following statement with respect to the scene:

“ ‘Hunger is easy to recognize when it looks like this. This baby is dying of starvation. He was an American. Now he is dead.’

“Mr. Jack E. Coughlin, director of community relations, Bexar County Hospital District, which includes the Robert B. Green Memorial Hospital, San Antonio, advised on October 2, 1968, that the hospital scenes shown on the CBS program for the San Antonio portion were filmed at the Robert B. Green Memorial Hospital. Arrangements for the filming were made by Mrs. Vera Burke, former director of social services at the hospital, who had requested permission from the hospital authorities. Mr. Coughlin advised that when permission was granted to Mrs. Burke, it was generally understood that the film-

ing would be confined to the pediatrics ward if she could obtain the concurrence from the doctors in that ward. Mr. Coughlin stated that after viewing the CBS program, he determined that Mrs. Burke had permitted the CBS crew to take photographs in the premature nursery, an area which is off limits to visitors.

"Mr. Coughlin stated that after a local newspaper had published a news article which indicated that the baby shown on the CBS program was a premature baby and did not die from starvation, the hospital administration made an independent investigation. The results of that investigation were stated by Mr. Coughlin to be as follows: 'The male baby involved was born at the hospital at 8:15 a.m. on October 24, 1967, and expired at 3 p.m. on October 29, 1967, in the premature nursery. The baby's weight at birth was 2 pounds, 12 ounces, and the gestation period was 28 weeks (approximately 7 months). The hospital records disclosed that Dr. Luis Rey Montemayor, the doctor on duty, recorded on the baby's chart that the child had a cardiac arrest and respiratory arrest on October 27, 1967, and two additional attacks on October 29, 1967, the last when he was pronounced dead. The death certificate, filed by the hospital on the baby, disclosed the baby died from septicemia, meningitis, and peritonitis, with the underlying cause being prematurity.'

"Mr. Coughlin produced copies of releases CBS had obtained from the parents of a number of children photographed in the pediatrics ward. Each indicated a payment of \$5 had been paid to a parent for the release. He advised that he had no evidence that CBS had obtained releases from the parents whose children were photographed in the premature nursery.

"Dr. Luis Ray Montemayor, who had entered private practice in San Antonio, was interviewed by the staff on October 3, 1968. He advised that he had obtained his education in Mexico and performed his intern work at the Robert B. Green Memorial Hospital. He recalled an occasion when he was attending a baby in the premature nursery in the hospital and was summoned by a nurse who said another baby in the same nursery was in distress and required immediate attention. He stated he rushed to the isolette to attend to the baby. He observed at the time that there were CBS cameramen and equipment in the premature nursery and learned that filming of babies had taken place. He stated that as soon as he started attending the baby he noticed the CBS camera crew move into his area and commence filming his efforts. He said that the baby had suffered a cardiac and respiratory arrest, one of several the baby had suffered since birth, and he administered resuscitation. For a short period of time it appeared that the baby would not respond, but he continued to work with it and it did respond. He said the baby died 2 days later when it suffered another series of attacks and could not be saved.

"Dr. Montemayor remarked that CBS was wrong in depicting that the baby died of starvation, that there was no evidence of malnutrition, but rather the baby was premature and the prognosis for survival at the time of birth was not good. He recalled that one of the CBS representatives questioned him concerning the 'malnourished babies he saw in the nursery.' Dr. Montemayor advised that he informed the CBS representative that the babies he saw in the premature nursery were small because they were born prematurely and the chances of survival for many of them were questionable. He said that the CBS representa-

tive, for some unknown reason, wanted him to say that the mothers of the babies gave birth to premature babies because they were malnourished. Dr. Montemayor advised that while it was possible that malnutrition could be a contributing factor to a premature birth, there was no such evidence in the case of the baby photographed by CBS and shown on the program. Dr. Montemayor positively identified the baby he attended and which was filmed by CBS in his presence as the same baby identified by Mr. Coughlin from hospital records. Identification was also made by the head nurse in the premature nursery and by a student nurse, both of whom were witnesses to the CBS filming.

"The parents of the baby were interviewed by the staff on October 4, 1968, in San Antonio, and they positively identified the baby shown on the CBS-TV program as their baby. The mother was in the hospital and witnessed the filming of her baby by CBS from the hall leading to the glass-enclosed isolette where she knew her baby was being cared for. The father had visited the baby on a number of occasions and saw the program broadcast. The parents claimed that CBS did not contact them for permission to use the film and the statements in the program about starvation were definitely untrue. The mother advised that she had fallen when she was in her 7th month of pregnancy and began experiencing pains, at which time she was taken to the hospital by her husband, and she gave birth prematurely. She stated that the availability of food had been no problem for her because she not only ate at her home but at her mother's home and the home of her mother-in-law. The father advised that he had won acclaim for his athletic abilities in high school and exhibited several trophies awarded to him in track and basketball competition. He is presently in his second year of college and has expectations of making the varsity basketball team. Upon graduation he plans to teach physical education.

"The grandmothers of the baby advised on October 3, 1968, that they both had steady jobs and felt that they had provided well for their children's health and did not believe they were ever malnourished. They advised that the daughter had recently lost her second child at 28 weeks of pregnancy, the cause of death being prematurity. They said the second child weighed approximately the same as the first child.

"On October 2, 1968, Mr. Kemper Diehl, a reporter for the San Antonio Express, advised he first brought to the attention of the people of San Antonio the facts concerning the baby that was reported to have died during the filming of the CBS program. Initially, another reporter for the newspaper, Arthur Moczygemba, had been informed by Mrs. Vera Burke at the Robert B. Green Memorial Hospital that the baby shown on the CBS program was a premature baby and there was no starvation involved. As a result of this information the editor of the San Antonio Express assigned Mr. Diehl to determine the facts. Mr. Diehl searched the records of the hospital and death certificates on file at the City Health Department which disclosed that three recently born infants had died during the period CBS was in San Antonio filming the program. Investigation disclosed that one of the babies was a girl, which was ruled out because CBS referred to the baby as a male. Of the two remaining babies, both were males: one weighed 7 pounds and 11 ounces and the other weighed 2 pounds and 12 ounces. Only the smaller baby was confined to the premature nursery. Mr. Diehl interviewed hospital personnel and was advised

that the hospital background which appeared in the film clearly showed that the filming of the baby occurred in the premature nursery. The size of the baby was determined to be approximately two pounds, based on a pathologist's calculation of the approximate size of the baby as compared to the size of the hands of the doctor who was holding the baby at the time it was filmed. Mr. Diehl stated that after the baby was identified he interviewed the parents who also confirmed that the baby filmed by the CBS crew was, in fact, their baby."

Our country's press and other news media are free—they have been throughout our history, and always should be, but somehow we must make them responsible. The first amendment to our Constitution provides that Congress shall make no law abridging the freedom of the press—and this wise declaration by our founding fathers has stood the test of time for nearly two centuries—though at times, it seems some take this provision to be a license to say anything—whether true or not.

But rights carry responsibilities with them. A responsible press—newspaper, magazine, radio or television—should have as its first guiding principle a duty to inform its readers or viewers fairly, objectively, and truthfully. Does not the public have a right to expect that this will be done?

The nation's best interests are simply not well served when appeals to emotions are substituted for reasoned calls for responsible action.

MALNUTRITION A COMPLEX PROBLEM

As noted above, this committee and the Congress have been attempting to eradicate malnutrition in America for many years. And there can be no doubt that the Federal programs and funds provided—amounting to nearly \$1.5 billion for fiscal year 1970 alone—have done and will continue to do a great deal of good in meeting this problem. Yet malnutrition persists, at least in some instances.

There is no single answer to the problem, because malnutrition may have many different causes. The final elimination of hunger from America will require that—in the last analysis—the circumstances of individual hungry people must be examined. For example:

—If the real problem in some cases is that the food stamp office is too distant from home—and local transportation is inadequate—then a car pool run by a local service organization would do more to solve the problem than a new Federal program;

—If food is available, but certain individuals do not know how to prepare it properly, then education, not more food, is the answer;

—If certain people, through habit and custom, are eating the foods their mothers prepared for them when they were children—and these foods are not sufficient to provide an adequate nutritional diet—then education again is the answer.

—If certain children receive their only good meal of the day at school because their parents are deliberately not caring for them properly—and there are such cases—then the laws of each of the fifty States, which make it a criminal offense to neglect one's children, should come into play.

—And if wealthy teenagers are subsisting on soft drinks and hamburgers, some parental leadership is all that is indicated.

These examples do not exhaust the subject. Many others could be cited. But the point is clear: malnutrition is a complex problem, with no single solution. If more Federal assistance is required to solve a part of the problem, then it should be provided. But it cannot do the job alone.

There is no lack of research findings on proper nutrition. And there is no lack of written materials describing good nutritional practices in easily understood terms. As pointed out earlier in this report, about 12 million copies of a single Department of Agriculture bulletin, "Family Fare"—which this committee initiated nearly twenty years ago—have been distributed to families throughout this Nation and are available to others who need them. And there are many other bulletins on this subject.

But despite these efforts—and despite the appropriation of billions of dollars over the years for food assistance programs—it is clear that, in some cases, the message is just not getting across.

The purveyors of easy answers should bear in mind two fundamental truths:

First, massive new Federal programs and large additional appropriations will be good only to the degree they are directed to the real problem areas.

Second, American family life must be preserved. If all needy children were to be fed in institutions—as some have suggested—they would not be hungry. But what would this do to the fabric of family life, and the traditions inherited by our future generations?

Our pioneer forebears believed in being their brothers' keeper. It took the strong backs of many men to raise high the roof beam of each frontier cabin. From our earliest days down to the present time, Americans have believed in providing for those—the children, the elderly, the sick, the disabled—who could not provide for themselves.

But the true greatness of America has also sprung from the sweat of the brow of countless millions in the last two centuries. The continent was not spanned, and our great cities were not built, by men who stood aside and waited for others to do the work.

All of us share in the responsibility to extend a helping hand to those among us who are hungry and in need. We must provide the funds and other means necessary to do this. We must not, however—through Federal programs—encourage our people to forsake their traditions of independence and self-reliance. Further, we must be certain that Federal funds for these purposes will provide the maximum benefits to those in real need.

THE FOUNDATION OF OUR FOOD SUPPLY

All of the controversy about hunger and malnutrition today has taken for granted the availability in the United States of a plentiful supply of nutritious food. We, in fact, have such a supply—the most abundant the world has ever seen. But we must not forget that the continued availability of these ample food supplies is not automatic. Future supplies to feed the rapidly growing population of this nation and the world, including the hungry and the undernourished, will be determined by the economic viability of our agricultural producers, and the continued productivity of our soil and water resources.

Regardless of all else, it is an irrefutable fact that our bountiful food supply can continue only so long as the income to farmers and ranchers is sufficient to keep them productive and efficient—in fact, to keep them in business. Our current programs of price supports, low-cost loans, research, and regulatory activities are directed towards this end. These basic programs benefit all of us—the poor and the hungry as well as the better off—equally as much as the farm producer upon whom they must depend for their basic necessities of life.

Further, the needy and the hungry—as well as all Americans—cannot long be fed unless our basic soil and water resources are preserved. The future welfare of all our people regardless of income or station in life is entirely dependent on the preservation of the basis for continued food production.

William Jennings Bryan is reputed to have once said:

“Burn down your cities and they will arise again as if by magic. But destroy our farms and the grass will grow on the streets of every city in the land.”

NEED TO CONSERVE OUR FOOD PRODUCTION CAPACITY

Three-fourths of our land area is in private ownership and 60 percent is in farms and ranches. Therefore, our farmers and ranchers are the principal managers of the Nation's soil and water resources for all the people. If this Nation is to survive and prosper, we must continue to assist these custodians of our natural resources to reforest our lands, protect our watersheds, harness our streams for electricity, and conserve soil and water.

If we leave to future generations a fertile land, this country will be able to meet its future domestic problems, international threats, and financial needs. Money alone is of no value. It must be supported by natural resources adequate to generate new wealth for future generations.

In our private lives, we all can live prosperously for a short time if we cash in all our insurance, use all our savings, and mortgage our assets. As a Nation, we can do the same if we are willing to “cash in” on our land, leaving to our children what is left—like previous generations have done in India, China, and the rest of the world we help to feed and clothe today.

It is considered good financial practice for a successful industrial concern to invest a portion of its income in the maintenance and preservation of its basic productive plant. It is equally important that our Nation invest a portion of its wealth in the protection of our food production capacity and its preservation for future generations.

To further elaborate on this point, the following paragraphs taken from the report of this committee on the 1969 Appropriation Bill for Agriculture are repeated at this point:

“MAN'S WASTE OF HIS NATURAL RESOURCES

“Perhaps the greatest single fault of mankind through the annals of recorded history has been his failure to preserve and protect the natural resources which provided him with his basic necessities of life—food, clothing, and shelter. History indicates that each civiliza-

tion developed by mankind through the course of the centuries, regardless of the degree of sophistication and advancement attained, has disappeared from the earth because of man's abuse of the soil, water, forests, and other basic resources passed on to him for his use and custodianship.

"One of the most serious questions facing our highly developed civilization of the 20th century is whether or not, through more intelligent use of our natural resources, and through more advanced agricultural technology, we can meet the ever-increasing demands of rapidly expanding populations for food, clothing, and shelter.

"A review of the earlier civilizations of the wornout and food-deficient areas of the world indicates what has resulted from the failure of man through the ages to apply an adequate portion of his wealth to the protection of the soil, the forests, the rivers and lakes, and other resources as he used them to feed and clothe himself.

"For example, in 3500 B.C. the valleys of the Tigris and Euphrates Rivers supported a large and prosperous civilization. By the year 2000 B.C., great irrigation developments had turned this part of the Middle East into the granary of the great Babylonian Empire. Today, however, less than 20 percent of this area is cultivated because, as they became urbanized, the people of that civilization failed to continue to preserve the productive capacity of the land. According to LaMont C. Cole of Cornell University:

"The landscape is dotted with mounds, the remains of forgotten towns; the ancient irrigation works are filled with silt, the end product of soil erosion; and the ancient seaport of Ur is now 150 miles from the sea, its buildings buried under as much as 35 feet of silt."

"Extensive irrigation systems were established in the valley of the Nile before 2000 B.C. to create the granary for the Roman Empire. This land, which was made fertile by the annual overflowing of the Nile, continued to be productive for many centuries. However, in recent years, as the result of more intensive use of the land and inadequate attention to conservation measures, the soils have deteriorated and salinization has decreased the productivity in the valley to the point where this area is now largely dependent on food shipments from other parts of the world to feed its people.

"Ancient Greece had forested hills, ample water supplies, and productive soil. In parts of this area today, the old erosion-proof Roman roads stand several feet above a barren desert. Ancient irrigation systems in many parts of China and India are abandoned today and filled with silt. Most of India's present land problems are due to excessive deforestation, erosion and siltation made necessary by tremendous population growth during the past two centuries.

"The highly developed civilizations of ancient Guatemala and Yucatan are merely history today. Archeologists believe that they exploited their land as intensively as possible until its fertility was gone and their prosperous civilizations vanished.

"The city-states throughout history have failed to realize that the cost of food, clothing and shelter is going to be paid, either by the consumer or by the land from which it comes. They have ignored the fact that soil cannot be cultivated year after year unless as much fertility is put back each year as is taken out.

WASTE OF NATURAL RESOURCES IN THE UNITED STATES

"The United States is still a young country in relation to the ancient civilizations referred to above. During our short history, however, we have used up and destroyed vast amounts of the plentiful supply of natural resources which were here when the Pilgrims landed at Plymouth Rock. The continuation of such abuse could eventually reduce this country to a barren wasteland with the low standard of living found in much of Asia and the Middle East.

"This country had 8,000 billion board feet of timber about 150 years ago. Today we have around 1,600 billion board feet left—only 20 percent of the original stand. This terrible waste of timber resources points up the extent to which our highly competitive economy can deplete a national asset in the generation of new wealth. It points up the need for continuing and expanding conservation efforts on a national basis.

"Only 175 years ago we had 500 million acres of fertile soil in this Nation. We have already wasted 200 million acres (40 percent) and another 100 million acres (20 percent) is washing away today. It has been estimated that an average of 40 acres of top soil flows down the Mississippi River each day of the year. Also, estimates are that more than 1 million acres of arable land are lost to residential areas, highways, and other urban developments each year."

SOIL AND WATER CONSERVATION

Remarkable progress has been made in soil and water conservation in the United States in the last 25 years. The major part of the soil conservation job still lies ahead, however. The United States continues to suffer heavy soil erosion losses. Some 120 million acres are endangered seriously, and only about a third of our land is safeguarded adequately. More than half the estimated \$1.2 billion average annual flood water and sediment damage in the United States occurs on the headwater streams and small tributaries. And sediment causes costly damage to the Nation's 10,000 major water storage reservoirs. *The amount of erosion-produced sediment dredged annually from our rivers and harbors exceeds the volume of earth dug for the Panama Canal.*

Increased farm production resulting from tremendous advances in science and technology tends to obscure the fact that, to meet food and fiber needs of a few years hence, this country will need the production equivalent of around 200 million more acres, based on current yields. Since we do not have additional acres of cropland available in the United States, this production must come largely from increased yields on existing cropland. This is in the face of continuing annual losses of some 400,000 acres of cropland because of erosion, and three times that amount each year through conversion of good farming land to urban and industrial uses.

FUTURE WATER SUPPLIES

Nearly one-fourth of the people of the Nation face problems of water shortage, poor water, or both. The rate of water use predicted for 1980 is nearly twice what it was in 1955. In some areas of this country we are already finding that expansion of population and industry is limited by the lack of adequate sources of water.

An official of the Department recently described one of the Nation's major problems of water conservation as follows:

"The Nation is concerned about its water problems but it seems that very few people are aware that 70 percent of the Nation's water budget that comes as rain or snow is lost by evapotranspiration from vegetated lands. Only 30 percent of our water budget becomes massed flow into streams and reservoirs.

"For example, during the average growing season in New York State a half million gallons of water will evaporate from an acre of potatoes, regardless of the kind of crop produced, since the evaporation is largely determined by solar radiation. The farmer who produces 500 bushels of potatoes per acre is producing 1 bushel of potatoes for every thousand gallons of water evaporated. If his yield is only 50 bushels of potatoes per acre, he will use 10,000 gallons of water for each bushel of potatoes produced. . . ."

Today's 200 million Americans are figuratively and literally "abusing the privilege" where the use and handling of water is concerned. Our lakes and rivers have become catch basins for the residues of our factories, automobiles, household and agricultural chemicals, for human wastes from thousands of villages, towns, and cities. How well we clean up this situation and learn to handle it without restricting man's means of providing our high standard of living may well determine the future of our nation.

As we approach this problem, we must keep in mind that the power to control water quality or quantity is not only the power to make or break business but is a power over the life of the nation itself. We must also keep in mind that agriculture's claims and responsibilities for the use of water are second to none, for agriculture provides our food, clothing and shelter, the basic necessities for life.

In addition, agriculture has a great responsibility in the use of water, for land is the great gathering place and reservoir for storage of water. Just a few years in the future we will need three times the water we use today, all of which points up the need to protect and manage the quality and quantity of our water supply.

Yet, in the face of all of these facts, the 1970 Budget recommends severe cutbacks in the watershed programs of the Soil Conservation Service and the Agricultural Conservation Program, which have as their sole purpose the preservation of our soil and water for future generations of Americans. The specific reductions will be discussed in more detail later in this report.

THE ORIGIN OF OUR PRESENT FARM PROGRAMS

Throughout history there has been a major war nearly every generation, and an economic or financial depression has occurred with about the same regularity. Many believe that the reason is that each new generation fails to recognize the lessons learned by the one which preceded it.

This nation seems to be in somewhat the same situation with regard to agriculture today.

The seeds of the Great Depression of the 1930's were sown in the agricultural depression of the 1920's which followed the First World War. The failure to maintain farm exports or to support farm prices

during this period, and thus to maintain farmers' purchasing power, weakened banking and business throughout the country. Yet, people frequently fail to remember the lessons of the terrible financial crises of the 1920's and 1930's. It was graphically illustrated in 1921, in 1929, and again in 1937 that, if the farmer's prices and purchasing power collapse, the whole economy suffers both in the cities and in rural areas.

Let us briefly review the history of farm prices in the late twenties and the thirties, when a drop in the purchasing power of those engaged in agriculture not only wrecked farming but dragged down the economy of the whole nation.

After the First World War ended, the government announced that it would no longer support the price of wheat. Wheat which had brought \$2.94 a bushel in Minneapolis in July, 1920, brought \$1.72 in December, 1920, and 92¢ a year later. Agricultural prices in general collapsed. Cotton fell to a third of its July, 1920, price and corn by 62 percent. The *Yearbook of Agriculture* of 1922 shows that the total value of agricultural products dropped from \$18,328,000,000 in 1920 to \$12,402,000,000 in 1921. As a result of the agricultural crash of 1920-1921, 453,000 farmers lost their farms. Many others remained in serious financial trouble which, in turn, was reflected by failures of local banks.

Average wheat prices for the years 1924-1927 stayed in a range between \$1.19 and \$1.44 a bushel as compared to a parity price of approximately \$1.40 for that period. Corn prices in these same years varied between 70¢ a bushel and \$1.06 a bushel versus a parity price of about \$1.00. Cotton prices were 12.5¢ a pound in 1926 but averaged 20.7¢ for the other years, compared to a parity price of 19.1¢. In 1928 these prices were: wheat, \$1.00; cotton, 18¢; and corn, 84¢. By 1931 wheat was 38¢; cotton, 5.5¢; and corn, 32¢—roughly one-third of the pre-1928 price levels. Starting in August of 1929, wheat prices for the dominant futures on the Chicago Board of Trade fell from \$1.43 average price to 76¢ in November of 1930, a drop of over 50 percent in 15 months. The Dow-Jones Stock Price Averages followed by declining from a high of 381.2 in September to a low of 41.2 in July of 1932. The decline of the price of wheat on the commodity exchanges was particularly significant since there were nearly \$250 million of open contracts in October 1929, almost 2½ times the number of contracts in normal years. A great many of these speculators were ruined.

It has been said there were more suicides during this period among those that didn't know what a farm was as a result of the breakdown in farm or commodity prices (which had led to a fall in prices and values throughout the economy) than in any other period in our history.

It was a sad way to learn it, but people at that time came to realize that real wealth starts with material things—corn, wheat, cotton, food crops of all kinds, and other raw materials—and that the general economy was primed by the sale of raw materials since, in general, the total national wealth averages some seven times the sales value of the farm or raw material production.

The people of the United States should have learned several important lessons from these experiences of the twenties and thirties.

First, when farmers can't get a fair return for their products, the land suffers. The price of producing food, clothing and shelter must be paid, either by a fair price from those who consume them or by further depletion of the land from which they come. Congress, reacting to the terrible depletion of our soil and water resources because of the poor financial position of many farmers, passed the Soil Conservation and Domestic Allotment Act of 1936. Yet today these same facts are being overlooked and we are being requested to devote less attention to our soil and water conservation efforts.

To make this point clear, one might draw a comparison between the farmer's position in this situation, and the activities of a typical American businessman.

If a businessman cannot make enough return on his investment to replace his depleted capital and keep his plant in operation, sooner or later he will go out of business. A rundown, inefficient factory and rusty outmoded equipment will eventually drive him to the wall. This is an economic fact well recognized by those engaged in industrial production.

The farmer, too, can deplete the fertility of his land and reduce his productive capacity—perhaps for a number of years in some instances—and stay in business. But sooner or later, he, or his successors, will have a worn out farm which will no longer produce the food and fiber which the consumers need from that farm unit.

In drawing this comparison, one thing must be kept clearly in mind. If a factory and its equipment go out of production, another businessman can come along and rebuild the factory and purchase new equipment in a relatively short time. But our soil and water—our agriculture production plant—are irreplaceable in our lifetime, and in the lifetimes of our children and our children's children. It takes nature as much as ten million years to create a single inch of productive topsoil in many areas of the world.

Secondly, we sometimes seem to forget that some form of effective control over farm production and marketing is necessary. In 1937 heavy crop production caused surpluses and low prices for wheat and cotton, and a severe drop in commodity prices precipitated another economic decline throughout the economy. Based on this experience, Congress passed the Agricultural Adjustment Act of 1938.

The stated objective of this Act was to:

“regulate interstate and foreign commerce in cotton, wheat, corn, tobacco, and rice to the extent necessary to provide an adequate and balanced flow of such commodities. Such a flow can follow only from the leveling out of the recurrent surpluses and shortages that burden and obstruct interstate and foreign commerce in such products.”

This law provided loans for storable commodities, generally called basics, the overproduction of which can be carried over to adversely affect succeeding crops for a number of years. Cotton, for instance, can be readily stored for 50 years without deteriorating to any noticeable degree. These storable or basic commodities were designated by Congress as corn, wheat, cotton, rice, tobacco, and peanuts.

In addition to providing crop loans so as to support prices, this law also provided that there must be an agreement by those receiving such loans to limit production so as to have a workable program.

Thirdly, many in this country seem to have forgotten that one of the major aims of the Act of 1938 was to establish and maintain a fair relationship between the farmer's income and costs of production. This was necessary to maintain a reasonable relationship with what labor and industry received as the result of various laws passed by Congress to guarantee bargaining rights and minimum wages.

The principle of adopting special laws to help certain groups was not new. In the early history of this nation, laws were passed providing tariffs to protect industry. It was recognized at that time that early industry in America, with its lack of capital and know-how, with its lack of developed markets, and with many other disadvantages, could not compete with the well-established industry in the mother country of England or in other countries.

Also, about 60 years ago, the American people began to realize that labor needed some protection relative to wage rates, working conditions, and hours set by industry. At that time the Congress began to enact laws on minimum wages and the right to organize and to strike. Through the years these advantages have been increased greatly by various laws passed by the Congress.

This nation learned in the Great Depression of the twenties and thirties that, in order to retain the purchasing power of those engaged in agriculture and allow them to stay in business to provide food essential to the general welfare, there had to be some provision in the law to maintain a balance between industry, agriculture and labor, particularly since industry was protected by high tariffs and could place its mark-up or margin of profit over and above its cost, including raw material and labor.

Thus the Congress included in the Act of 1938 a formula to maintain such a balance. To operate this program, the Congress created the Commodity Credit Corporation—a huge corporation first organized under the laws of the State of Delaware in 1933 with paid-in government capital—and later made it a Federal Government corporation.

Under this program, the producer can borrow for his storable or basic commodities, the major commodities, at a fixed percentage of parity. This level is usually set by the Secretary of Agriculture within limits fixed by the Congress, and usually varies in percentage depending upon the commodity and the supply needed. At the end of the year, the farmer can repay his loan, claim his commodity and sell it on the open market if the price is advantageous. If not so redeemed by the producer, the government can foreclose on the loan and take title to the commodity. With such loan assurance under this plan, the price on the domestic market usually is sustained because the Commodity Credit Corporation is not authorized to sell below the support price.

Now, one might well ask: "Why does the farmer need the protection of these laws and programs? Why can't he just add his margin on top of his costs, just as any other businessman would do—even though those costs are higher because of laws protecting industry and labor?"

There are two fundamental reasons why he cannot do this:

In the first place, there are millions of farmers. Under a completely free system, no individual farmer-businessman could have any say as to the prices he would receive for his product. These prices would be determined by market forces over which he could not have even a

small amount of control. For an individual farmer to say, "I am going to sell at a certain price because my costs are going up" could price him completely out of the market if he were not competitive.

In the second place, farmers and ranchers do not produce unique products. One farmer's wheat or cotton or tobacco of a certain grade and type is usually the same as another farmer's wheat or cotton or tobacco of the same grade and type. Each is competing in a nationwide market for that particular grade and type of wheat or cotton or tobacco. There is no opportunity to compete in the open market in the normal "private enterprise" manner.

An industrial concern, on the other hand, can create a special demand for and distinguish or differentiate its products. It can create and cater to many different markets instead of one. For example, Americans do not regard "automobiles" as a standardized product—if they did, we might all be riding in a uniform version of the "people's car."

This differentiation of product by industry also makes advertising feasible. One businessman, through advertising, can convince consumers that his detergent or headache remedy is best for all, and the price may even become a secondary consideration.

It is for these reasons that the people of this nation and especially its legislative leaders must review the record, must fully inform themselves as to the reasons for our present farm programs, and must remember the disadvantaged position of Agriculture in our modern-day society.

It is for these reasons that our people must never forget the painful lessons of the past and the reasons why the present farm programs were placed on the statute books and have been in operation since the Great Depression of the 1920's and 1930's.

We must not forget the lessons of history and suffer again through the same mistakes and failures that our forefathers did! We must use the experience gained from those lessons to preserve the progress we have made in developing the finest agricultural system ever known to man!

EFFECT OF COMMITTEE ACTION ON PROJECTED BUDGET EXPENDITURES (OUTLAYS) IN FISCAL YEAR 1970

The estimated impact on outlays for the fiscal year 1970 of the actions proposed in this bill is shown in the following table:

Item	Change From Budget Recommendation	
	Budget Authority	Outlays
Commodity Credit Corporation.....	-\$250,000,000	-----
Agricultural Conservation Program (advance authorization for 1970 program).....	+195,500,000	-----
All other actions.....	-106,407,050	-\$50,000,000
Total.....	-160,907,050	--50,000,000

The committee's action in recommending a reduction for the Commodity Credit Corporation will not affect outlays in the fiscal year 1970 because the purpose of this appropriation is to reimburse the Corporation for losses sustained in prior years, and it has no effect whatsoever on next year's operations.

The recommended restoration of funds for the Agricultural Conservation Program will not affect outlays in the fiscal year 1970 because the committee's action merely provides authority to enter into contracts under the program during the coming fiscal year, while the appropriation to liquidate those contracts and resulting outlays would be made the following year.

The remaining reduction in budget authority (about \$106 million) is estimated to reduce outlays by about \$50 million. This reduction assumes that (1) increased loan levels authorized for the Farmers Home Administration will be offset by sales of Farmers Home financial assets, and (2) production and marketing conditions might well be such next year that the Commodity Credit Corporation would be required to purchase only a portion of the stocks of commodities which would otherwise be shipped overseas under the budgeted Public Law 480 programs. If it is not necessary for CCC to purchase any of these stocks, the expenditure reduction flowing from actions recommended in this bill would be even greater.

EFFECT OF COMMITTEE ACTION ON PERSONNEL

The severe funding limitations during the last several years, coupled with the personnel rollback provisions of the Revenue and Expenditure Control Act of 1968 (P.L. 90-364), have combined to reduce severely the personnel of the Department of Agriculture—to unworkable levels in some instances. For example, there are numerous reported cases in which professional personnel are functioning without secretarial and non-professional assistance, due to the greater rate of turnover in the clerical grades. In addition, mandatory workload increases in some areas have had to be offset by even more stringent reductions in other areas.

The accompanying bill provides for 65,344 man-years in fiscal year 1970, exclusive of the Forest Service. This is an increase of 1,764 man-years over the 1969 level. However, it represents a reduction of 1,086 man-years below the revised 1970 budget request, which in itself was 761 man-years below the January budget.

The principal man-year increases over the current year are to carry out the expanded programs of meat and poultry inspection, and to staff increased efforts by the Department to alleviate hunger and malnutrition in the United States under the food stamp, child nutrition, and other food distribution programs. Restoration of personnel to vitally needed research programs is also proposed in the bill.

The principal reduction below the budget request is in the Farmers Home Administration, where the committee feels that a more gradual expansion of administrative services is preferable in view of recruiting difficulties. This reduction is partially offset by additions to the budget request to restore the soil conservation technicians needed to carry out the Agricultural Conservation Program.

A breakdown of the man-year changes by agency is set forth in the following table:

MAN-YEAR COMPARISONS

Agency	1969 Estimate	1970 (Revised Budget)	In Bill for 1970	Comparison	
				1969 Estimate	1970 Budget
Agricultural Research Service:					
Research.....	9,470	9,628	9,617	+147	-11
Disease and pest control.....	5,840	5,885	5,862	+22	-23
Other.....	399	390	390	-9	-----
Total, Agricultural Research Service.....	15,709	15,903	15,869	+160	-34
Cooperative State Research Service.....	92	94	92	-----	-2
Extension Service.....	203	227	227	+24	-----
Farmer Cooperative Service.....	91	102	97	+6	-5
Soil Conservation Service:					
Conservation operations.....	10,805	10,885	10,885	+80	-----
Other.....	6,245	5,617	6,190	-55	+573
Total, Soil Conservation Service.....	17,050	16,502	17,075	+25	+573
Economic Research Service.....	1,021	1,031	1,024	+3	-7
Statistical Reporting Service.....	1,406	1,425	1,416	+10	-9
Consumer and Marketing Service:					
Meat and poultry inspection and other con- sumer protective, marketing and regulatory programs.....	9,432	9,846	9,805	+373	-41
Child nutrition programs.....	173	285	285	+112	-----
Food stamp program.....	1,000	1,334	1,334	+334	-----
Other.....	443	382	380	-63	-2
Total, Consumer and Marketing Service.....	11,048	11,847	11,804	+756	-43
Foreign Agricultural Service.....	759	780	772	+13	-8
Commodity Exchange Authority.....	155	190	173	+18	-17
Agricultural Stabilization and Conservation Service.....	4,583	4,483	4,657	+74	+174
Office of the Inspector General.....	855	919	883	+28	-36
Packers and Stockyards Administration.....	184	225	208	+24	-17
Office of the General Counsel.....	360	447	379	+19	-68
Other.....	2,791	2,849	2,805	+14	-44
Rural Electrification Administration.....	889	889	889	-----	-----
Farmers Home Administration.....	6,384	8,517	6,974	+590	-1,543
Total, U.S. Department of Agriculture (ex- cluding Forest Service).....	63,580	66,430	65,344	+1,764	-1,086

The appropriations recommended in the accompanying bill do not include amounts required for the third step of the Federal pay raise which is expected to become effective July 1, 1969, pursuant to the Postal Revenue and Federal Salary Act of 1967. The budget carries a contingency estimate of \$2,800,000,000 for military and civilian pay increases not identified by department for which supplemental estimates are anticipated for later submission when firm departmental requirements are developed.

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

The Agricultural Research Service was established by the Secretary of Agriculture on November 2, 1953, under the authority of the Reorganization Act of 1949 (5 U.S.C. 133z—15), the Reorganization Plan No. 2 of 1953, and other authorities. It conducts cost-of-production, utilization, nutrition, marketing, and consumer use research, plant and animal disease and pest control and eradication activities. The Administrator of this Service is also responsible for the coordination of all research of the Department. The Service also carries out emergency programs, when necessary, for the control and eradication

of animal diseases and for the control of emergency outbreaks of insects and diseases.

The Service directs research beneficial to the United States which can be advantageously conducted in foreign countries through agreements with foreign research institutions and universities. This program is carried out under the authority of sections 104(b) (1) and (3) of Public Law 480, the Agricultural Trade Development and Assistance Act of 1954, as amended.

Research.—The bill includes an appropriation of \$130,182,000, plus a transfer of \$15,000,000 from section 32 funds, for research for the coming fiscal year. This is an increase of \$1,063,700 over funds available for fiscal year 1969 and a decrease of \$449,300 in the revised budget estimate for fiscal year 1970. With a constantly increasing population, increased research is absolutely necessary if we are to maintain our standard of living, our health and our food supply.

The changes proposed for the various research activities for the next year compared with 1969 are as follows:

Appropriation Act, 1969.....	\$129, 118, 300
Transfer from section 32	+ 15, 000, 000
Other adjustments.....	— 129, 300
Adjusted base.....	<u>143, 989, 000</u>
Changes proposed in bill:	
Research projects:	
Avian leukosis in poultry.....	+ 100, 000
Food and nutrition data.....	+ 100, 000
Cane sugar refining.....	+ 50, 000
Bovine mastitis.....	+ 50, 000
Wholesaling and retailing.....	+ 100, 000
Subtotal.....	+ 400, 000
Initial staffing: Water Quality Laboratory, Durant, Oklahoma.....	+ 100, 000
Planning funds: Soil-Water-Plant Research Laboratory, Ithaca, New York; and Soil and Water Research Center, Akron, Colorado.....	+ 50, 000
Reduction: Pesticide coordination.....	— 17, 000
Construction funds:	
Modernization of facilities, Beltsville Research Center...	+ 300, 000
Extension of facilities, Soil and Water Research Laboratory, Morris, Minnesota.....	+ 360, 000
Subtotal.....	+ 660, 000
Total changes.....	+ 1, 193, 000
Total available, fiscal year 1970.....	145, 182, 000
Less: Transfer from section 32.....	— 15, 000, 000
Total in bill, fiscal year 1970.....	<u>130, 182, 000</u>

The Committee has included an additional \$100,000 for contract research on avian leukosis in poultry, making a total of \$837,500 available for the coming fiscal year. Avian leukosis continues to be the most baffling and costly of all poultry diseases, costly to producer and consumer alike, and is now rapidly becoming the number one disease threat to broiler and egg production. Condemnations of poultry because of avian leukosis have increased from 6.5 percent of all birds condemned in 1962 to 35.2 percent of all birds condemned in 1967. The number of birds condemned due to this disease has increased tenfold during

this same period. Current research efforts have produced new and important leads which offer promising approaches to better understand the complex disease.

An increase of \$100,000 for additional food and nutrition research is proposed, which will provide a total of \$400,000 for this purpose in the next fiscal year. These funds will enable the Department to up-date the handbook on nutrition "Family Fare," which provides the latest information on vitamins, proteins, minerals, and other important nutritional factors. More than 12 million copies of this bulletin, first prepared for distribution in 1950 at the direction of this committee, have been distributed throughout the nation since that time. We expect efforts to be made in the coming year to make this essential information more readily available to those who need it. Much valuable information has already been developed through research. What is needed most urgently now is an expanded effort to get under-nourished people to put it to use.

The Committee has also added \$50,000 for a cooperative Federal-private industry cane sugar refining research project at the Southern Utilization Laboratory in New Orleans, Louisiana. In the past several years there has been a definite change in the nature of raw sugars resulting from changing farm operations. Hand labor has been replaced with mechanical devices. Chemicals are now more widely used for weed and insect control and for fertilizer. These changes have slowly rendered the old and well-known processing techniques less effective. Research on the basic chemistry of the processes and on the identification of the trouble-causing constituents is needed to improve the processes and develop new ones.

The sum of \$50,000 has been added to the bill for expanded research on bovine mastitis. This will provide a total of approximately \$500,000 for the next fiscal year. Mastitis, an infectious disease of the udder, is the most serious animal health problem of the dairy industry, resulting in losses estimated to be as much as \$500 million a year which are costly to both producers and consumers. The disease is caused by numerous micro-organisms and is influenced by many environmental conditions. The primary effect is reduction in milk production and the loss resulting from milk that is unfit for human food. It is recommended that the additional funds be used to intensify contractual research on a method for the measurement of the milk-ejecting hormone as developed by scientists now working on this problem in Massachusetts.

Through the years, the Committee has strongly supported the wholesaling and retailing research program of the Department. This work was discontinued by the Department last year, however, despite such support. In view of the extreme importance of this research, which enables the 200,000 independent grocers who handle about 58 percent of the Nation's retail food sales to compete with the larger chains to the benefit of their customers, the Committee has included \$100,000 to reinstate this research at about 50 percent of its former level. This will permit the most essential features of this work to be continued. Such wholesaling and retailing research conducted by the Federal Government is the only means of enabling independent and small businesses to compete with the few large corporations which have the capability of satisfying their own needs for such research.

Also, the Department's planning studies of wholesale food markets in the larger urban centers of the country need to be continued and strengthened wherever possible. These studies, which have been completed or are underway in some 62 major cities throughout the United States, a list of which appears on page 236 of Part 4 of the hearings, are making a significant contribution to the location, design, and operation of the new markets involved. This is of great benefit to the Nation's consumers by providing them higher quality food at lower costs.

The Committee has also provided an additional \$100,000 for operation of the new Water Quality Laboratory at Durant, Oklahoma. It appears uneconomical not to adequately staff this new laboratory, when it is in the public interest to keep current our water quality knowledge. Since agricultural and other chemicals are essential to our food supply, we must develop accurate and authentic data on this matter as rapidly as possible.

The Committee calls attention to the fact that more pollution research can and should be undertaken at the National Sedimentation Laboratory, since the location and facilities available will enable the Department to move ahead immediately. Operations at the Big Spring, Texas, Research Station should be continued at not less than the current level in the coming fiscal year.

A fund of \$50,000 has been included in the bill to enable the Department to continue planning for the Soil-Water-Plant Research Facility at Ithaca, New York, and to initiate planning for the Akron, Colorado Soil and Water Research Center. If additional planning funds are needed for these purposes in the coming fiscal year, they should be obtained by transfer from the Agricultural Research Service's contingency research fund.

An increase of \$300,000 is provided for the construction of a central refuse incinerator and modernization of other facilities at the Beltsville Research Center. Modernization and improvement of facilities, many of which are 30 years or more of age, is needed to protect the approximately \$50 million real property investment at the Center.

The sum of \$360,000 is also recommended to undertake the construction of additional facilities at the Soil and Water Research Laboratory at Morris, Minnesota. The plans for this location, which were funded several years ago, have been completed and construction is ready to proceed. It is important that the research on surface water pollution to be performed at this laboratory be gotten underway as soon as possible.

Plant and animal disease and pest control.—The Committee recommends an appropriation of \$89,493,000 for the next fiscal year, an increase of \$2,853,500 over the 1969 appropriation and a decrease of \$1,683,500 in the revised 1970 budget request. This amount is computed as follows:

Appropriation Act, 1969.....	\$86, 639, 500
Transfer to General Services Administration.....	— 146, 000
Adjusted base.....	86, 493, 500
Program increases.....	+2, 999, 500
Total in bill, fiscal year 1970.....	89, 493, 000

An additional \$250,000 is recommended for plant and animal quarantine inspection activities. The volume of foreign trade and

travel continues to go up and is expected to increase in the future. Overall workload indicators continue to rise, as indicated by the following figures:

	1968 Actual	1969 Estimate	1970 Estimate
Airplanes (thousands).....	258	265	315
Vessels (thousands).....	65	68	66
Vehicles from Mexico (thousands).....	36	36	41
Baggage pieces (millions).....	56	60	70

An increase of \$100,000 is included in the bill for cooperative activities with Central America on foot-and-mouth disease and rinderpest. The proposed increase would provide technical assistance, advice, and cooperative surveillance with the Central American countries and Panama. Working arrangements would be provided through the International Regional Organization for Plant and Animal Sanitation.

An additional \$49,500 is provided for expanded work to assure the safety and potency of veterinary biologics under the Virus-Serum-Toxin Act. The increase proposed would be used to contract for the preparation of new standards and reagents and the replenishing of existing standards and reagents. These testing materials would be used by the Department and by licensees to evaluate veterinary biological products.

The Committee recommends an increase of \$100,000 for expanded enforcement under the Federal Insecticide, Fungicide and Rodenticide Act. Under this Act, the Department seeks to protect the public from misbranded, adulterated, unsafe, and ineffective pesticide products. The primary tools to reach this objective include product registration, testing, and enforcement of regulations. A recent report by the General Accounting Office cited the need for more effective action to remove violating products, to prosecute offenders, and to publish notices of judgment.

The Committee has repeatedly urged the Department to establish a fact-finding team to look into reports of damages attributed to the use of pesticides and to determine the full facts. The Department has agreed to do so. Since it is the responsibility of the Department to test, register and monitor the use of pesticides, and since the production of food, its preservation, and its protection from contamination by humans, insects and animals are dependent upon all forms of pesticides, the formation of this new unit is well justified and has the full support of this Committee.

The sum of \$1,000,000 is provided to commence construction of a new animal quarantine facility at Fort Tilden, New York. The existing facility is virtually obsolete. Federal laws and regulations require the quarantine of all imported wild and domestic animals, including poultry, upon arrival in this country. Public Law 88-592, approved September 12, 1964, authorized the sale of the Department's present animal quarantine facility at Clifton, New Jersey, to the city of Clifton for public purposes and the establishment of a new quarantine station in the New York-New Jersey port and airport area.

The Committee, recognizing the danger to health and the cost of disease outbreaks, has also gone along with the increases of \$750,000 each proposed in the revised 1970 Budget for the screwworm and hog

cholera eradication programs. The cost of providing the sterile screw-worm flies necessary to maintain the screwworm barrier zone along the United States-Mexico border continues to increase due primarily to the rise in cost of media for the production of sterile screwworm flies and the operation and maintenance of the aircraft for fly release operations. It is hoped that the additional funds will permit continuation of the program at the present rate, which is needed to keep this insect threat under control.

1961 legislation establishing the hog cholera program directed the Secretary of Agriculture to prohibit or restrict the interstate shipment of hog cholera virus as necessary to carry out the eradication program. Program procedures, adopted by the Department and the States in 1962, recognized the need for such action and required removal of live virus vaccines for at least one year prior to recognition of any State as hog cholera free. The program schedule, adopted by Federal, State and industry groups, calls for national eradication by the end of 1972. The current demand for removal of vaccines at the earliest possible time reflects recognition that the 1972 goal cannot be met, unless this action is taken in advance of that target date. When vaccines are withdrawn, some buildup of outbreaks of the disease can be expected. These outbreaks can be eradicated without return to the use of vaccines if sufficient indemnity funds are available for prompt depopulation of herds.

Special foreign currency program.—In fiscal year 1958, the Department initiated a research program abroad utilizing foreign currencies generated by the sale of surplus agricultural commodities under title I of Public Law 480. Originally confined to market development research authorized by section 104(b)(1) of Public Law 480, as amended, the program was subsequently expanded to include agricultural and forestry research under section 104(b)(3) of the law, as amended. It now involves work in the following general areas: Farm research, utilization research, marketing research, forestry research, agricultural economics research, and human nutrition research.

This research is conducted with local currencies in countries in which the United States has foreign currency available in excess of normal U.S. requirements. The dollars appropriated for this purpose are used to purchase these excess currencies from the Treasury Department. Since the dollars remain in the United States, and since this country owns large amounts of excess currencies in some 15 countries, their use for research and market development purposes appears fully justified.

An appropriation of \$4,500,000 is recommended for the next fiscal year. This will continue the funds at the 1969 level. In addition, an estimated carry-over of nearly \$600,000 of prior year funds will be available for the coming year.

COOPERATIVE STATE RESEARCH SERVICE

The Cooperative State Research Service was established by Secretary's Memorandum No. 1462 dated July 19, 1961, and Supplement 1, dated August 31, 1961, under Reorganization Plan No. 2 of 1953. The Service carries out (1) administration of the Agricultural Experiment Stations Act of August 11, 1955 (Hatch Act of 1887, as amended),

(2) payments under section 204(b) of the Agricultural Marketing Act of 1946 to State agricultural experiment stations, (3) grants to nonprofit institutions for support of basic scientific research under the act approved September 6, 1958, (4) grants for cooperative forestry research under the act approved October 10, 1962, and (5) grants for facilities under the act of July 22, 1963.

An appropriation of \$61,175,000 is proposed for fiscal year 1970. This is an increase of \$2,070,000 over fiscal year 1969 and a decrease of \$2,555,000 in the 1970 budget estimate.

The amount provided is computed as follows:

Appropriation Act, 1969.....	\$59, 105, 000
Transfer for pay costs.....	— 36, 000
Lapses under P.L. 90-364.....	— 194, 000
Adjusted base.....	58, 875, 000
Program changes:	
Hatch Act payments.....	+ 1, 000, 000
Grants for forestry research.....	+ 300, 000
Grants for facilities.....	+ 1, 000, 000
Total, program changes.....	+ 2, 300, 000
Total in bill for fiscal year 1970.....	61, 175, 000

The Weeks Act (16 U.S.C. 500) provides that, with the consent of the State or States involved, lands may be acquired by the Federal Government for the creation of National forests. Since lands so acquired are removed from the local tax rolls, the Weeks Act also provides that 25 percent of the receipts from timber cut from such lands may be paid to the States for the benefit of roads and schools in counties where such lands are located, and agreements to make such payments have been made.

Pursuant to this Act, many States passed legislative acts authorizing the acquisition of lands by the Federal Government, thereby removing them from state tax rolls. These acts were adopted in good faith, relying upon the Federal Government's agreement to pay to the States, for the use of the counties, 25 percent of the timber receipts from such lands.

Notwithstanding these facts, the Federal Government for several years has been holding up payment of the receipts to certain counties in several States. At the same time the Federal Government has retained title to the lands, thereby preventing the States from collecting ad valorem taxes on such lands. In this manner it has reneged on the original promises which were the basis for the consent for acquisition given by State and county governments.

The Committee has included language in the bill to provide for the payment of timber receipts withheld from certain States and counties, despite commitments contained in agreements entered into under the Weeks Act. The provision reads as follows:

of which amount, the sum of \$201,642.80 shall be paid to those States for the benefit of the counties from which timber receipts earned as a result of agreements entered into under the authority of the Weeks Act (16 U.S.C. 500) have been withheld.

EXTENSION SERVICE

Cooperative agricultural extension work was established by the act of May 8, 1914, as amended. The legislation authorizes the Department of Agriculture to give, through the land-grant colleges, instruction and practical demonstrations in agriculture and home economics and related subjects and to encourage the application of such information by means of demonstrations, publications, and otherwise to persons not attending or resident in the colleges. Extension educational work is also authorized under the Agricultural Marketing Act of 1946.

State and county extension work is financed from Federal, State, county, and local sources. These funds are used within the States for the employment of county agents, home demonstration agents, 4-H Club agents, State specialists, and others who conduct the joint educational programs adapted to local problems and conditions.

The Federal Extension Service provides for leadership, counsel, and assistance to the 50 States and Puerto Rico. This staff, which is located primarily in Washington, serves as liaison between the Department of Agriculture and the States, provides leadership and assistance to the States in the conduct of the program, administers Federal laws authorizing extension work and coordinates the work among the States, and provides leadership in and coordination of the educational phases of all programs under the jurisdiction of the Department.

The Committee recommends total appropriations of \$129,129,000 for fiscal year 1970, an increase of \$32,066,000 over fiscal year 1969 funds and a decrease of \$1,780,000 in the revised budget for fiscal year 1970.

The Committee has approved an appropriation of \$30,000,000 for the Nutrition Aide Program initiated last fall. This is in line with the latest budget recommendation and places existing programs on a yearly basis. Of this sum, \$7,500,000 shall be available for professional workers to promote 4-H type programs in the depressed areas of our cities. This program involves educational work among low-income groups to reduce the incidence of malnutrition, by providing homemaker aides who will use available information, knowledge and skills to teach needy people to utilize all resources toward the achievement of a more nutritionally adequate diet.

In this connection, the Committee feels that full use should be made of the Nation's 3 million 4-H Club members to promote 4-H Club-type work with the youth of our towns and cities. The success of this program in rural areas has forcefully demonstrated the effectiveness of this approach. It may well be found that the most successful results from nutritional education of low-income families will come through work with the younger members of the family.

The balance of the increase over the current year, \$2,066,000, is provided to expand other technical assistance to needy families. This assistance is intended to improve income and living conditions on the farm through more efficient farm production practices and techniques and more enlightened management of family finances and other essentials of life.

FARMER COOPERATIVE SERVICE

The Farmer Cooperative Service was established following the enactment of the Farm Credit Act of 1953 (Public Law 202, Aug. 6, 1953), which transferred the research and technical assistance work for farmers' marketing, purchasing, and service cooperatives, under the Cooperative Marketing Act of 1926 from the Farm Credit Administration to the Secretary of Agriculture.

The Service conducts research, advisory, and educational work with cooperatives on problems of organization, financing, management policies, merchandising, costs, efficiency, and membership to help farmers who are members of such organizations improve the operations of their business. It cooperates with the Extension Service, land-grant colleges, banks for cooperatives, State departments of agriculture, and other agencies to bring about better understanding and application of sound cooperative principles and practices. It also advises other Federal agencies on problems relating to agricultural cooperatives.

The bill includes an appropriation of \$1,500,000 for the next fiscal year, an increase of \$159,000 over fiscal year 1969 and a decrease of \$135,000 in the 1970 budget request. The increase includes \$73,000 for pay increases, plus \$86,000 to expand technical assistance to farmer cooperatives and to administer the Agricultural Fair Practices Act of 1967 which provides fair practices for handlers and processors who deal with farmers.

SOIL CONSERVATION SERVICE

The Soil Conservation Service was established by the act of April 27, 1935. It assists soil conservation districts and other cooperators, watershed groups, and Federal and State agencies having related responsibilities in bringing about physical adjustments in land use that will conserve soil and water resources, provide for agricultural production on a sustained basis, and reduce damage by floods and sedimentation. Its major programs are as follows:

Conservation operations: The Service produces technical help to farmers and ranchers in the 50 States, Puerto Rico, and the Virgin Islands in carrying out locally adapted soil and water conservation programs.

Watershed planning: The Service has general responsibility for administration of the watershed planning program including the development of guiding principles and procedures. The activities conducted under this program consists of (a) making investigations and surveys of proposed small watershed projects in response to requests made by sponsoring local organizations, and (b) assistance to sponsors in the development of watershed work plans.

River basin surveys and investigations: The Service administers the cooperative river basin surveys and investigations program in the Department, including the development of guiding principles and procedures. The program involves cooperating with other Federal, State and local agencies in making river basin surveys and investigations for the development of coordinated

water resource programs and a representative serving on the Water Resources Council, river basin commissions and river basin interagency committees for coordination among Federal departments and agencies and states.

Watershed works of improvement: The Service has general responsibility for administration of the watershed works of improvement program including the development of guiding principles and procedures. The activities include cooperating with local sponsors, State, and other public agencies in installing planned works of improvement in approved watershed projects to reduce erosion, floodwater, and sediment damage, and to further the conservation, development, utilization, and disposal of water, including development of recreational facilities and improvement of fish and wildlife habitat;

Flood prevention: The Service has general responsibility for administration of the flood prevention program, and the development of the Department's guiding principles and procedures. The program is conducted in the 11 major watersheds authorized by the Flood Control Act of 1944.

Great Plains conservation: The Service has general responsibility for administration of the Great Plains conservation program, authorized by Public Law 1021, 84th Congress. This program provides for long-term cost sharing under contracts with farmers and ranchers in designated counties of the 10 Great Plains States.

Resource conservation and development activities: The Service has general responsibility under provisions of section 102, title I of the Food and Agriculture Act of 1962, for developing overall work plans for resource conservation and development projects in cooperation with local sponsors; to help develop local programs of land conservation and utilization; to assist local groups and individuals in carrying out such plans and programs; to conduct surveys and investigations relating to the conditions and factors affecting such work on private lands; and to make loans to project sponsors for conservation and development purposes and to individual operators for establishing soil and water conservation practices.

Conservation operations.—The full budget estimate of \$118,786,000 is provided for this program for the coming fiscal year. The net increase of \$3,893,000 is provided to cover mandatory pay increases. Therefore, the amount recommended will provide the same level of funding as was available for fiscal year 1969.

A total of 19 conservation districts were formed in the 1968 fiscal year. Consolidations and changes in boundaries of 17 other districts resulted in the transfer of nearly 8 million acres between districts, and the addition of 15 million acres to 75 existing districts. The net increase of new territories brought into districts in 1968 was 15,971,628 acres. About 96 percent of the total farm and ranch lands and 99 percent of the farms and ranches in the Nation are now within the boundaries of conservation districts.

A total of 15 new soil and water conservation districts are expected to be organized in the 1969 fiscal year. Another 12 districts are projected for 1970. The formation of districts is nearing completion in

most States. About 40 more districts are expected to be organized within the next few years. The following table shows the current projections with estimated number of farms and acreage included:

Date	Number of Districts	Acreage in Districts		Number of Farms
		Total Area	Land in Farms	
Actual:				
June 30, 1967.....	3,010	1,782,500,726	1,081,750,887	3,729,369
Average per SCD.....		592,193	359,386	1,239
June 30, 1968.....	3,012	1,798,472,354	1,070,295,517	3,182,775
Average per SCD.....		597,102	355,344	1,056
Estimate:				
June 30, 1969.....	3,027	1,806,000,000	1,076,000,000	3,200,000
Average per SCD.....		596,630	335,467	1,057

Watershed programs.—The watershed improvement programs of the Department of Agriculture were initiated by the authorization of planning and works of improvement on the original 11 major watersheds covered by the Flood Control Act of 1944. In 1953, this committee provided \$5 million in the 1954 appropriation act, without a prior budget estimate, to authorize 62 small "pilot" watershed projects to promote national interest in small upstream watershed control. These pilot projects were a tremendous success. The following year, Congress enacted Public Law 566, 83d Congress, which placed this program on a permanent basis. Also, under authority of section 8 of this same act (as amended) loans to local organizations were authorized to help defray a portion of the local share of the cost of watershed protection and flood prevention projects. These programs are now financed through three appropriations included in this bill for Public Law 566 projects designated as "river basin surveys and investigations," "watershed planning," and "watershed works of improvement," and through a separate appropriation, "flood prevention," which covers the 11 original major watersheds.

River basin surveys and investigations.—The bill carries an appropriation of \$8,187,000 for fiscal year 1970, the full budget request. Of this amount, an estimated \$1,719,000 will be used for Type I comprehensive surveys, a decrease of \$549,000 from estimated obligations in fiscal year 1969. The estimate would fund the 10 surveys underway at the beginning of fiscal year 1970 at an average of \$171,900 each. No new Type I surveys would be initiated in fiscal year 1970.

It is estimated that 8 of the Type II detailed surveys currently underway will be completed in fiscal year 1969 and the remaining 5 in fiscal year 1970. This will reduce the fund needs for these surveys from \$1,314,000 estimated to be available in fiscal year 1969 to \$664,000 in fiscal year 1970, a reduction of \$650,000.

The estimate of \$4,369,000 available for Type IV surveys conducted in cooperation with State Water Resources Agencies and concerned Federal agencies would provide for continuing the 30 surveys currently underway and for 6 new starts in fiscal year 1970. Five of these surveys are expected to be completed in fiscal year 1969 and six in fiscal year 1970. The 36 surveys underway in fiscal year 1970 would be funded at an average of \$121,400 each.

Watershed planning.—The full budget request of \$6,209,000 is recommended for the next fiscal year. This will permit the program to continue at about the current year's operating level. The Committee directs that not less than 100 new plans be started during the coming year.

The following table shows applications received and progress in planning small watershed projects:

Activity	1968 actual	1969 estimate
Applications for planning assistance:		
Received, current fiscal year.....	123	150
Received, cumulative at June 30.....	2,716	2,866
Status of planning:		
Authorized, current fiscal year.....	100	100
Authorized, cumulative at June 30.....	1,411	1,511
Suspended or terminated at June 30.....	173	180
Completed, current fiscal year.....	75	85
Completed, cumulative at June 30.....	945	1,030
In process at June 30.....	293	301
Remaining to be planned at June 30.....	905	930
Not suitable for planning at June 30.....	400	425
Completed plans not yet approved for operations.....	111	46

Watershed works of improvement.—A total appropriation of \$57,873,000 is proposed for fiscal year 1970. This amount will provide the same funding level as established for fiscal year 1969, including supplemental funds to meet mandatory pay increases. For this program, the Committee directs that not less than 80 new construction starts be undertaken in the next fiscal year.

The following tabulation shows on a national basis the status of projects by category of assistance provided, and funds obligated in fiscal years 1968 and 1969 on the basis of available funds.

[Dollars in Thousands]

Explanation	1968 Actual		1969 Estimate	
	Num- ber	Amount	Num- ber	Amount
1. Projects approved for operations and estimated cost of completion:				
(a) Uncompleted projects at beginning of year.....	658	\$566,710	629	\$520,555
(b) Projects approved during year.....	17	9,870	150	222,450
Total.....	675	576,580	779	743,005
2. Status of projects and amounts obligated:				
(a) Projects not requiring funds.....	32		55	
(b) Projects receiving land treatment and engineering services.....	174	5,057	242	5,330
(c) Projects moved into construction stage during year.....	43	8,561	55	11,000
(d) Prior year projects continuing construction and land treatment.....	369	41,579	357	46,868
(e) Projects with construction completed continuing land treatment.....	11	101	25	250
(f) Projects completed during year.....	46	727	45	711
Total.....	675	56,025	779	64,159
3. Uncompleted projects (cumulative) at end of year:				
(a) Obligations to date.....	629	358,785	734	354,891
(b) Estimated cost of completion.....	629	520,555	734	678,846
4. Projects completed (cumulative) and total cost.....	205	88,947	250	157,000
5. Total projects approved (cumulative) and total cost.....	834	968,287	984	1,190,737
6. Total obligations (cumulative).....		447,732		511,891

Flood prevention.—The full budget estimate of \$20,223,000 is proposed for fiscal year 1970. This will provide about the same amount of appropriation as authorized for fiscal year 1969.

The following table indicates the distribution of these funds by watershed:

<i>Watershed</i>	<i>Funds in bill, 1970</i>
Colorado (Middle), Texas.....	\$900, 000
Coosa, Ga., Tenn.....	710, 000
Little Sioux, Iowa, Minn.....	778, 000
Little Tallahatchie, Miss.....	1, 197, 000
Los Angeles, Calif.....	1, 486, 000
Potomac, Md., Pa., Va., W. Va.....	2, 120, 000
Santa Ynez, Calif.....	434, 000
Trinity, Texas.....	3, 936, 000
Washita, Okla., Texas.....	3, 902, 000
Yazoo, Miss.....	4, 360, 000
Subtotal, watersheds.....	19, 823, 000
Emergency Measures.....	300, 000
Total, works of improvement.....	20, 123, 000
Loan Services.....	100, 000
Total, Flood Prevention.....	20, 223, 000

Great Plains conservation program.—The Great Plains conservation program was authorized under Public Law 1021, 84th Congress (16 U.S.C. 590p), to provide farmers and ranchers in the critically erodible areas of the Great Plains with assured conservation cost sharing and technical assistance. The program is designed to protect, improve, and conserve the soil, water, plant, and wildlife resources of this vast agricultural area and help to stabilize its economy. The work supplements other soil and water conservation programs and activities in counties designated by the Secretary. It is also coordinated with the programs and objectives of locally managed conservation districts, State agencies, and community groups.

The Committee recommends an appropriation of \$15,000,000 for the next year, an increase of \$1,000,000 in the budget request and a decrease of \$1,000,000 below the fiscal year 1969 appropriation. In view of the importance of this program in preventing wind erosion damage to the Great Plains area and in view of the large backlog of unfunded applications, the Committee feels this is the minimum amount which should be provided.

Interest in the Great Plains Conservation Program continues to increase. Good progress is being made in committing farmers and ranchers to conservation development and operations. The following table shows the number of applications for program assistance and cost-share contracts:

Explanation	1968 actual	1969 estimate	1970 estimate
Applications for assistance received:			
Current fiscal year.....	3, 948	3, 859	3, 500
Cumulative to June 30.....	36, 141	40, 000	43, 500
Contracts signed:			
Current fiscal year.....	3, 227	4, 250	3, 000
Cumulative to June 30.....	31, 122	35, 372	38, 372
Acreage in contracts:			
Current fiscal year.....	5, 176, 284	6, 798, 300	4, 600, 000
Cumulative to June 30.....	56, 601, 700	63, 400, 000	68, 000, 000
Unserviced applications:			
Number.....	5, 019	4, 628	5, 128
Acreage.....	12, 357, 832	11, 150, 000	12, 300, 000

Resource conservation and development.—This program, which was authorized by section 102 of the Food and Agriculture Act of 1962 (Public Law 87-703), provides for technical assistance in planning and carrying out land conservation and land utilization projects in selected areas. Although the Soil Conservation Service is responsible for administering the work of this program, it is carried on cooperatively with other Federal agencies and departments, State and local agencies, and sponsoring organizations. Other agencies of the Department of Agriculture share in the work of these projects in accordance with their regularly assigned functions. Governing bodies of soil conservation districts, in cooperation with other interested committees or groups, are expected to provide local project sponsorship. These projects will usually be in areas where acceleration of conservation activities is required to provide additional economic opportunities to the residents of a single district, or parts of several adjoining districts, or other geographic planning units within a land resource area.

An appropriation of \$7,452,000 is proposed for fiscal year 1970, a decrease of \$1,000,000 in the 1970 budget request. However, this amount provides an increase over fiscal year 1969 of \$1,196,000 which should permit the addition of 5 projects to the 57 RC&D projects expected to be in operation by the end of fiscal year 1970, making a total of 62 projects in operation by that date.

The revised budget for 1970 proposes the merger of the Rural Renewal program of the Farmers Home Administration with the Resource Conservation and Development program. This consolidation should result in more effective and efficient use of the funds provided for these activities.

ECONOMIC RESEARCH SERVICE

The Economic Research Service was established by Secretary's Memorandum No. 1446, Supplement No. 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953, and other authorities. The Service develops and carries out a program of economic research designed to benefit farmers and the general public. The findings of this research are made available to farmers and others through research reports and through economic outlook and situation reports on major commodities, the national economy, and the international economy.

The bill includes a proposed appropriation of \$13,450,000 for fiscal year 1970, a reduction of \$112,000 in the 1970 budget request. The increase of \$661,000 over fiscal year 1969 will cover mandatory pay increases plus \$63,000 to develop additional information on economic indicators of change in the rural economy.

STATISTICAL REPORTING SERVICE

The Statistical Reporting Service was established by Secretary's Memorandum No. 1446, Supplement 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953, and other authorities. The Service was created to give coordinated leadership to the statistical reporting research and service programs of the Department. It provides a channel for the orderly flow of statistical intelligence about the agricultural economy of this country. The primary responsibilities of this Service

are the nationwide crop and livestock estimates, coordination and improvement in the Department's statistical program requirements, and special surveys of market potentials for agricultural products.

The Committee recommends an appropriation of \$14,950,000 for the coming fiscal year, a reduction of \$105,000 in the budget request. The increase of \$624,000 over fiscal year 1969 includes funds to meet mandatory salary increases. It also includes \$40,000 to undertake a statistical reporting service as needed by the mink industry and \$67,000 for probability surveys of farm grain stocks.

It is extremely important that quarterly grain stocks estimates of unquestionable reliability be available. They are essential data to complete the supply picture which along with accurate, complete and timely information on prospective production, prices and sales make up the overall information needs for effective competition. The Department is dependent upon this information in planning acreage and production goals in sufficient time to implement the necessary programs, i.e., related to corn, oats, rye, sorghums and barley. Farm stocks estimates based on probability sampling techniques will provide the reliability needed in the stocks segment in the 12 important grain stock States.

CONSUMER AND MARKETING SERVICE

The Consumer and Marketing Service was established February 8, 1965. Its predecessor organization, the Agricultural Marketing Service, was established November 2, 1953, under authority of section 161, Revised Statutes, Reorganization Plan No. 2 of 1953 and other authorities. The Service carries on the following principal programs:

Consumer protective, marketing and regulatory programs: These activities contribute to the efficient and orderly marketing of agricultural commodities. They include the Market News Service; meat and poultry inspection; other inspection, grading, classing and standardization services; and regulatory activities such as the Federal Seed Act, U.S. Warehouse Act, Standard Container Act, and others.

Payments to States: The Service administers the matched fund program for marketing activities carried out through cooperative arrangements with State departments of agriculture and similar State agencies.

Child nutrition programs: Federal assistance is provided to States, Puerto Rico, Virgin Islands, American Samoa, and Guam for use in serving nutritious meals to children in schools and service institutions in order to improve the health and well-being of the Nation's children and to increase farm income by expanding agricultural markets. These programs, aimed at closing existing gaps in child nutrition, include the school lunch, special assistance, school breakfast, nonfood assistance, grants for State administrative expenses, and the nonschool food program.

Removal of Surplus Agricultural Commodities (Section 32) and Marketing Agreements and Orders: These activities directly or indirectly contribute to stabilizing prices received by farmers and establishing and maintaining orderly marketing conditions through: (1) removing from the market surplus agricultural commodities through purchase and donation to eligible recipients, export and diversion payments; distribution of Commodity Credit Corporation donated commodities to eligible domestic outlets authorized under Section 416 of the Agricultural Act of 1949; and cooperation with the food industry and others to encourage greater consumption of abundant foods; (2) formulation and administration of marketing agreements and orders; and (3) special programs to provide food to needy children and adults who are suffering from general and continued hunger and to provide assistance in food selection and preparation to assure nutritious diets.

Food stamp program: The present program is authorized by the Food Stamp Act of 1964 (P.L. 88-525, approved August 31, 1964). It is aimed at making more effective use of the Nation's food abundance and at improving nutritional standards of needy persons through the issuance of food coupons which may be used in retail stores for the purchase of commercial brand foods.

Food management preparedness: The Service fulfills the Department's defense responsibilities under Executive Order 10998 of preemergency preparedness and emergency operations relating to management of food supplies and their postattack distribution.

Consumer protective, marketing and regulatory programs.—The bill includes a recommended appropriation of \$130,867,000 for the next fiscal year, a reduction in the budget of \$4,387,200 and an increase of \$14,602,500 over current year funds. The computation of the amount proposed is as follows:

Appropriation Act, 1969.....	\$116, 264, 500
Transfer to General Services Administration.....	— 248, 000
Pay Act supplemental.....	+2, 300, 000
Adjusted base.....	118, 316, 500
Program changes:	
Meat inspection.....	+10, 000, 000
Poultry inspection.....	+3, 000, 000
Other inspection activities.....	—449, 500
Total changes.....	+12, 550, 500
Appropriation proposed for 1970.....	130, 867, 000

The proposed closing or discontinuance of market news services has not been approved in view of the importance of these services to the Nation's agricultural industry, and the Department is directed to retain these services. The small amount of funds involved could better be taken from the cost of other operations of the Department in Washington. In the opinion of the committee, the need for timely and reliable market reports by farmers and agri-business to deal with increasing market pressures and ever-growing consumer demands for better food at lower prices makes these market news services increasingly essential. The offices and reports involved, which are to be continued in operation next year, are as follows:

Fruits and vegetables: Columbia, South Carolina; Birmingham, Alabama; Louisville, Kentucky; Hammond, Louisiana; Southern Pines, North Carolina; Richmond and Windsor, Virginia; Florida City and Sanford, Florida.

Grain: Houston and Austin, Texas; Cleveland, Mississippi.

Livestock: Ogden, Utah; Tulsa, Oklahoma; Memphis, Tennessee; Fort Smith, Arkansas.

Poultry: Lincoln, Nebraska; Charleston, West Virginia; Austin, Texas; Baton Rouge, Louisiana.

Naval Stores: Savannah, Georgia.

Reports: National weekly peanut report; Farmers Weekly Cotton Price Reports for North and South Carolina, Georgia, and Alabama; Monthly Cotton Linters Review issued in Memphis.

An additional \$10,000,000 has been included for meat inspection activities. This will provide a total of nearly \$80 million for the coming year. The major portion of the increase will be used for grants to States under the Wholesome Meat Act of 1967. Grants were made to 18 States in fiscal year 1968 and it is expected that around 30 will be in the program by the end of the current fiscal year. A small part of this increase will be used to meet the ever-expanding workload indicated by the following figures:

Item	1968 (actual)	1969 (estimate)	1970 (estimate)
Interstate establishments under Federal inspection, June 30:			
Slaughter.....	92	98	101
Processing.....	2,221	2,743	2,801
Combination.....	547	628	652
Total.....	2,860	3,469	3,554
Intrastate establishments inspected by State personnel, June 30:			
Slaughter.....	512	540	771
Processing.....	1,744	3,923	5,604
Combination.....	738	2,537	3,625
Total.....	2,994	7,000	10,000
Pounds inspected (mil.):			
Interstate:			
Slaughter.....	30,898	31,616	31,866
Processing.....	44,520	45,200	46,100
Imports.....	1,531	1,707	1,901
Other.....	1,505	1,508	1,513
Total.....	78,454	80,031	81,380
Intrastate:			
Slaughter.....	193	3,863	4,862
Processing.....	220	4,400	6,900
Total.....	413	8,263	11,762
Number of cities and towns in which federally inspected plants are located..	1,052	1,255	1,281

The Committee has also included an increase of \$3,000,000 for poultry inspection, which provides a total of about \$28.5 million for fiscal year 1970. With the passage of the Wholesome Poultry Products Act of 1968, almost all poultry and poultry products sold in the United States will be subjected to the same enforcement standards that hitherto have been required only of those plants engaging in interstate commerce.

This new legislation increases the responsibility of the Federal Government in the poultry inspection field by providing for technical and financial assistance to States for improving the quality of their

poultry inspection programs. The Act gives the States two years from the date of enactment (August 18, 1968) to develop inspection programs comparable to the Federal program. A possible extension of one additional year may be provided at the end of two years if a State has made significant progress in improving its program. However, if any State fails to develop a comparable program within the period provided by law, the Federal Government is required to take over inspection of all establishments engaging in the sale of poultry and poultry products in that State.

Payments to States and possessions.—Federal payments, authorized by section 204(b) of the Agricultural Marketing Act of 1946, are made under cooperative agreements between the U.S. Department of Agriculture and State departments of agriculture, and similar State agencies for the conduct of eligible marketing service activities on a matching fund basis. The States contribute at least half of the cost and perform the work with State personnel.

The full budget request of \$1,600,000 is provided for fiscal year 1970. This is a decrease of \$150,000 below the 1969 appropriation. Because of the extremely tight Federal Budget, States are expected to assume a larger role in developing and carrying out programs in which benefits accrue primarily to individual States. Under the Agricultural Marketing Act of 1946, States may finance a larger share of the program than the proportion financed with Federal matching funds.

Child nutrition programs.—The full budget request of \$311,766,000 is provided for fiscal year 1970, \$117,500,000 by direct appropriation and \$194,266,000 by transfer from section 32 funds. This is an increase of \$58,967,000 over funds available for the present year. The amounts included for each of the programs funded under this head, as compared to fiscal year 1969, are as follows:

	1969	Increase	1970 bill
1. Cash payments to States:			
(a) School lunch program.....	\$162,041,000	+\$6,000,000	\$168,041,000
(b) Special assistance.....	10,000,000	+34,800,000	44,800,000
(c) School breakfast program.....	3,500,000	+6,500,000	10,000,000
(d) Nonfood assistance program.....	750,000	+9,250,000	10,000,000
(e) State administrative expenses.....	750,000		750,000
(f) Nonschool food program.....	5,750,000	+4,250,000	10,000,000
Subtotal.....	182,791,000	+60,800,000	243,591,000
2. Commodity procurement.....	64,325,000		64,325,000
3. Operating expenses.....	2,661,000	+1,189,000	3,850,000
Unobligated balance.....	3,000,000	—3,000,000	
Total available or estimate.....	1 252,777,000	1 +58,989,000	311,766,000

¹ Excludes \$22,000 transfer to General Services Administration.

The regular school lunch program continues to grow each year. It is expected that 3.5 billion lunches will be served in 1970—a growth of about 3.9 percent. On this basis, the \$6,000,000 increase will provide for a Federal cash contribution of about 4.8¢ per meal served. The following table reflects program participation for 1967–1970.

Item	FY 1967 (actual)	FY 1968 (actual)	FY 1969 (est.)	FY 1970 (est.)
No. of schools (peak participation).....	72,334	71,184	71,750	72,000
No. of school children (peak thousands).....	18,323	18,615	19,000	19,800
No. of lunches served (million).....	3,131.5	3,181.0	3,370.0	3,500.9
Federal cash contribution (million).....	\$147.7	\$154.9	\$162.0	\$168.0
Average Federal contribution per lunch.....	4.8¢	4.9¢	4.8¢	4.8¢

Food stamp program.—This program operates through normal channels of trade to provide food to families in economic need of assistance. Participants include those households receiving some type of welfare assistance—the aged, the blind, the disabled, and mothers with dependent children. Other low-income families also are eligible to participate even though they do not qualify, for a variety of reasons, for welfare aid. These are people living on small pensions, the unemployed, the underemployed, and the unskilled low-paid employed.

Participants exchange the amount of money they would normally spend on food for food coupons worth more. Under the Food Stamp Act, the purpose is to enable participants to improve their diets in both quantity and quality.

The bill carries an appropriation of \$340,000,000 for this purpose in fiscal year 1970, the full amount authorized for this program by present law. This is an increase of \$60,000,000 over funds available in fiscal year 1969.

The program will reach an estimated 3,630,000 participants, in some 1,550 project areas, by June 30, 1969, an increase of 1,218,000 participants over the June 1968 level. At the time the program will be operating at an annual rate of about \$325 million.

Section 32 funds.—Section 32 funds are used to encourage the production of food by stabilizing prices and by the exportation and domestic consumption of agricultural products, and to contribute to stabilizing market prices either through announcements that the Department stands ready to enter the market, or by actual participation in the market. The extent to which funds actually will be obligated and expended, for perishables and other surplus removal programs, will depend upon the market situation which develops as peak marketing seasons approach. The type of program to be developed also depends upon the kind and volume of existing surpluses and the availability of potential outlets. Generally, surpluses are removed from the market through purchases, which are then donated to schools, institutions and needy persons.

For the law to work, it is essential that the Department have on hand at all times sufficient funds to purchase price-depressing surpluses; otherwise we could well lose our fine foods and high standard of living by producers going out of business.

The following table summarizes the estimated total funds available for section 32 activities and the estimated balance carried forward for fiscal years 1968, 1969, and 1970:

Item	1968	1969 estimate	1970 estimate
Appropriation or estimate.....	\$578,911,603	\$596,645,658	\$665,000,000
Balance available from prior years.....	300,000,000	300,000,000	300,000,000
Recovery of prior year obligations.....	20,077		
Unobligated balance of research funds returned from Agricultural Research Service.....	317,305		
Transfers to:			
Child Nutrition Programs.....	—45,000,000	—64,325,000	—194,266,000
Special Milk Program.....	—104,000,000	—104,000,000	
Agricultural Research Service.....	—15,000,000	—15,000,000	—15,000,000
Foreign Agricultural Service.....	—3,117,000	—3,117,000	—3,117,000
Interior Department.....	—7,443,592	—7,412,775	—7,703,000
Total available after transfers.....	704,688,393	702,790,883	744,914,000
Obligations.....	175,649,394	291,667,000	444,914,000
Unobligated balance.....	229,038,999	111,123,883	
Unobligated balance carried forward to subsequent year...	300,000,000	300,000,000	300,000,000

The following table indicates the use of these funds for commodity program purposes as well as for the special feeding program for fiscal years 1969 and 1970:

Project	1969 estimated	1970 revised budget
1. Commodity Program Payments.....	\$227, 079, 600	\$334, 624, 600
2. Special Feeding Program.....	44, 941, 000	100, 000, 000
3. Surplus Removal Operating Expenses.....	6, 896, 400	7, 389, 400
4. Marketing Agreements and Orders.....	2, 750, 000	2, 900, 000
5. Food and Nutrition Aides Program.....	10, 000, 000	
Unobligated balance reverting to Treasury.....	¹ 111, 123, 883	
Total available or estimate.....	402, 790, 883	444, 914, 000

¹ The amount shown as an expected unobligated balance for fiscal year 1969 is being used for the purchase of commodities from CCC.

It will be noted from the above table that the Department proposes to use \$100 million of section 32 funds for special feeding programs in the coming fiscal year under the special language which this Committee added in conference on the fiscal year 1969 Agriculture Appropriation Bill. About \$80 million is expected to be used to provide free and reduced-price lunches for needy children. The balance, \$20 million, will be used for milk for children in schools without a lunch program, in summer camps, and in child care institutions.

This special \$100 million program is in addition to the food distribution expenditures proposed under the child nutrition, food stamp and direct distribution programs. A total of about \$1.5 billion will be expended for these programs in fiscal year 1970.

The Committee has approved the budget request for all of these programs to be certain that means are provided to care for the needs of those in this country suffering from malnutrition or hunger. The record shows that individual cases do exist despite public welfare programs and the efforts of this Committee, Congress and local charities. The Committee points out that directives were issued in 1967 to meet the needs of especially needy persons and that last year \$50 million above the budget was provided with authority granted to the Secretary of Agriculture to locate hungry people anywhere in the U.S. and to provide them with free food where deemed necessary, taking into consideration such factors as age, income, employability, etc. (clause 4b). It has been noted that special programs in several States have been established under this authority.

In view of continuous allegations of hunger, the Committee must insist that the Secretary meet this responsibility by providing free food on an individual case basis wherever he finds and can certify that such hunger does in fact exist under such circumstances. If we are to reach those who may actually be hungry, the Department must locate such people and see that they are properly fed. Large, mass feeding programs such as proposed will never reach these isolated cases where people cannot participate in the food stamps, direct distribution, or special feeding programs because of illness, isolation or ignorance.

FOREIGN AGRICULTURAL SERVICE

The Foreign Agricultural Service was established March 10, 1953 by Secretary's Memorandum No. 1320, Supplement 1. Public Law 690 approved August 28, 1954, transferred the agricultural attachés from the Department of State to the Foreign Agricultural Service.

The primary function of this organization is to help American agriculture in maintaining and expanding foreign markets for its products. It maintains a worldwide agricultural intelligence and reporting service, to assist U.S. agricultural industry in its export operations through a continuous program of analyzing and reporting foreign agricultural production, markets, and policies. It helps to develop foreign markets for U.S. farm products through administrative special export programs and through helping to secure international trade conditions that are favorable toward our products.

The bill includes an appropriation of \$22,937,000 for the next fiscal year, a decrease of \$1,000,000 in the revised budget request for fiscal year 1970 and a net increase of \$1,395,700 over 1969. In addition, transfers of \$3,117,000 from section 32 and \$107,000 from CCC are approved.

The amount of the appropriation recommended is computed as follows:

Appropriation Act, 1969.....	\$21, 541, 300
Transfer to General Services Administration.....	— 1, 000
Pay Act supplemental.....	+ 361, 700
Adjusted base.....	21, 902, 000
Program changes:	
New Attaché post (Korea).....	+ 80, 000
Market development.....	+ 1, 500, 000
Public Law 480 Administration.....	— 545, 000
Total changes.....	+ 1, 035, 000
Appropriation in bill for 1970.....	22, 937, 000

The Committee has funded the opening of a new agricultural post in Korea, which is a fast growing market for U.S. agricultural commodities, such as wheat, soybeans, barley and cotton. In total volume of commodities purchased, it ranks among the top nations in Asia. There is no other free world country with this volume of agricultural trade where the United States is not represented by an agricultural attaché. A great opportunity exists in Korea for an expanded market promotion program in cooperation with private trade groups and this opportunity should be pursued. Further, the lack of USDA representation at this important post has been a serious handicap in obtaining adequate agricultural data. The total cost is expected to be \$80,000.

An increase of \$1,500,000 is recommended to expand the market development program for agricultural commodities. The additional funds will be used in part to mount a comprehensive 5-year export program which will parallel similar work under way for industry in the Department of Commerce. Agricultural export targets will be set up commodity by commodity on a 5-year basis in line with the 5-year industrial program currently being developed by the Department of Commerce.

The Committee strongly disagrees with the use of any part of the market development money provided in this bill for any purpose other than the promotion of American-grown agricultural commodities in other areas of the world. Accordingly, it must insist that the funds included herein for market development purposes be used entirely for the export of U.S. commodities.

COMMODITY EXCHANGE AUTHORITY

The Commodity Exchange Authority administers the Commodity Exchange Act of September 21, 1922, as amended. The objectives are to prevent commodity price manipulation and market corners; curb unwarranted changes in price resulting from excessive speculation by large traders; prevent dissemination of false and misleading crop and market information affecting commodity prices; protect hedgers and other users of the commodity futures markets against cheating, fraud, and manipulative practices; insure the benefits of membership privileges on contract markets to cooperative associations of producers; insure trust fund treatment of margin moneys and equities of hedgers and other traders and prevent the misuse of such funds by brokers; and provide information to the public regarding trading operations and contract markets.

The Committee proposes an appropriation of \$2,100,000 for the next fiscal year, an increase of \$270,000 over fiscal year 1969 and a decrease of \$221,000 in the 1970 budget. The increase will cover mandatory pay increases, and will provide \$219,000 for licensing and auditing of brokerage houses, supervision of futures trading, and investigations required to complete the implementation of Public Laws 90-258 and 90-418, which added nine new commodities to the responsibilities of this agency.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

The Agricultural Stabilization and Conservation Service was established by the Secretary of Agriculture on June 5, 1961, under the authority of Reorganization Plan No. 2 of 1953, in accordance with the Reorganization Act of 1949, as amended (5 U.S.C. 901-913). The Service carries on the following principal programs from appropriated funds:

Production adjustment programs: The Agricultural Adjustment Act of 1938, as amended, authorizes production adjustment for designated basic commodities (tobacco, peanuts, wheat, cotton, and rice) through acreage allotments, and the adjustment of supplies through marketing quotas when supplies reach specified levels in relation to normal demand.

Sugar Act program: The chief objective of the Sugar Act of 1948, as amended, is "to protect the welfare of consumers of sugar and those engaged in the domestic sugar-producing industry." This involves (a) determination of U.S. consumption requirements; (b) administration of quotas to regulate imports of sugar produced in foreign areas, as well as marketing of sugar produced in domestic areas; and (c) payments to domestic producers of sugarbeets and sugarcane, provided producers comply with certain labor, wage, price, and marketing requirements prescribed by law.

Agricultural conservation program: This program is authorized by the provisions of section 7 to 16(a), inclusive, and section 17 of the Soil Conservation and Domestic Allotment Act, as amended. Its objectives include (1) restoring and improving soil fertility, (2) reducing erosion caused by wind and water, and (3) conserving water on land. Cost-sharing assistance is furnished to individual farmers and ranchers in the 50 States, Puerto Rico and the Virgin Islands for carrying out approved soil-building and soil- and water-conserving practices on their farms. This assistance represents only a part of the cost of performing the practices. The farmer bears the balance of the cost, and in addition supplies labor and management necessary to carry out the practices.

Cropland adjustment program: This program was authorized in the Food and Agriculture Act of 1965. Its purpose is to assist farmers, through long-term agreements, to divert land from the production of unneeded crops to uses that will promote the development and conservation of our soil, water, forest, wildlife, and recreational resources. The program will also establish, protect and conserve open spaces and natural beauty and prevent air and water pollution.

Emergency conservation measures: The objective of this program, which is authorized by the Third Supplemental Appropriation Act of 1957 and the Supplemental Appropriation Acts of 1958 and 1959, is to restore to normal agricultural use farmlands which have been damaged by wind erosion, hurricanes, floods, or other natural disasters. To this end, farmers are offered cost-sharing assistance for carrying out approved practices.

Conservation reserve program: The conservation reserve program authorized by the Soil Bank Act is a long-range program under which farmers have voluntarily contracted to take cropland out of production for a specified number of years and devote it to conservation uses. In return the farmer receives (a) an annual rental payment for the contract period, and (b) assistance in either cash or conservation materials and services for carrying out approved conservation practices on the reserved acreage.

Indemnity payments to dairy farmers: The milk indemnity payment program was extended through June 30, 1970, by Public Law 90-484. The Secretary is authorized to make indemnity payments at the fair market value, to farmers who have been directed since January 1, 1964, to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government at the time of such use. Each eligible dairy farmer will receive from all sources no more than the amount he would have received if he had produced and marketed a quantity of milk equal to his normal marketings.

Commodity Credit Corporation program activities: Various price-support and related programs have been authorized in numerous legislative enactments since the early 1930's. Operations under these programs are financed through the Commodity Credit Corporation. Personnel and facilities of the Agricultural Stabilization and Conservation Service are utilized in the administration of programs of the Commodity Credit Corporation, and the Administrator of the Service is also Executive Vice President of the Corporation.

Foreign assistance programs and other special activities: Various surplus disposal programs and other special activities are conducted pursuant to specific statutory authorizations and directives. These laws authorize the use of CCC funds and facilities to implement the programs. Appropriations for these programs are transferred or paid to the Corporation for its costs incurred in connection with these activities, such as Public Law 480; bartered materials for supplemental stockpile; and National Wool Act.

Expenses, Agricultural Stabilization and Conservation Service.—The bill carries total funds of \$209,903,000 for the operating and administrative expenses of the various programs of this organization. Of this total, \$147,420,000 is provided by direct appropriation. The balance, \$62,483,000, is authorized to be transferred if necessary from the Commodity Credit Corporation to finance operating and administrative costs of the Corporation's programs from funds on hand or received from the redemption or sale of commodities.

The amount recommended is \$6,107,500 over the fiscal year 1969 level of funding. This includes \$4,107,500 for pay increases and \$2,000,000 to establish a contingency reserve for CCC administrative expenses.

The Committee recommends restoration of the Agricultural Conservation Program (ACP) to the 1969 level. Accordingly, it has restored \$20,000,000 to this appropriation to cover administrative and operating expenses for ACP in the next year. This results in a net increase of \$18,550,000 over the revised budget for fiscal year 1970 as reflected on the table at the end of this report.

This program, as noted, has more than one million participants who put up their time and money. We must take care of the land if this Nation is to prosper. As pointed out in the hearings, the elimination of this program next year would reduce soil conservation technicians by 1,000 man-years over a 2-year period.

Sugar Act Program.—The Sugar Program has a threefold purpose: To protect the welfare of the U.S. sugar industry; to provide U.S. consumers with ample supplies of sugar at reasonable prices; and to promote and strengthen the export trade of the United States.

Receipts under the sugar program exceed government outlays. The Sugar Act, through an amendment to the Internal Revenue Code, imposes a tax of 50 cents per hundred pounds of sugar, raw value, on all beet or cane sugar processed in or imported into the continental United States for direct consumption. The excise tax on sugar, under Public Law 89-331, was extended to June 30, 1972.

The Committee recommends an appropriation for the next fiscal year of \$89,500,000, a decrease of \$6,800,000 in the budget estimate. This amount will continue the fiscal year 1969 level of operation, which is based on an appropriation of \$82,000,000 in the 1969 regular bill, plus \$7,500,000 contained in the supplemental bill for 1969 now pending.

Payments are made to domestic producers of sugarbeets and sugarcane who comply with certain special requirements. The number of payees is shown below:

	1967 crop	1968 crop (estimated)	1969 crop (estimated)
Continental sugar beet area.....	31,000	33,000	33,000
Continental sugar cane area.....	5,370	5,250	5,100
Hawaii.....	673	640	725
Puerto Rico.....	9,007	8,900	8,800
Total.....	46,050	47,790	47,625

Agricultural conservation program.—Conservation practices under this program are developed initially at the local level by ASC State and county committees, the Soil Conservation Service, and the Forest Service. Representatives of the land-grant colleges, the Farmers Home Administration, State conservation committees, and other State and Federal agricultural agencies also participate in these determinations.

The recommendations of these groups are used as the basis to formulate joint recommendations to the Agricultural Stabilization and Conservation Service in Washington. From these recommendations, the various agencies of the Department in Washington develop and recommend to the Secretary of Agriculture a national program. State and local people then develop their local programs within the structure of the national program approved by the Secretary. No practices are adopted and put into effect in any State or county unless approved by the local conservation groups.

As mentioned earlier, this program reaches in excess of 1 million farms each year and results in the application of the greatest amount of conservation measures to the land at the lowest cost per acre of any other similar program.

By continued emphasis on the establishment of long-term conservation practices, benefits go to nonfarm people as well as to farmers. The program attempts to get low-income and other farmers who are lagging in the conservation effort to undertake significant conservation projects. Also an increasing proportion of its funds has gone for land treatment measures in watershed program areas and other rural areas development projects. For example, the following accomplishments were attained under the 1967 program:

1. Enduring-type practices received 87 percent of the cost-share funds.

2. About \$15.1 million of ACP cost-sharing funds, involving 79 thousand farms, went into 41 resource conservation and development project areas and 12 rural renewal program counties.

3. About \$15.4 million of ACP cost-sharing funds, involving 69 thousand farms, went into more than 1,200 Public Law 566 and pilot watershed program areas to advance land treatment measures in those watersheds.

4. About \$5.1 million of ACP cost-sharing funds, involving 26 thousand farms, went into the 11 flood prevention watersheds.

Within program authority for operations, a growing proportion of ACP cost-shares is being used for those conservation practices which conserve water and reduce water pollution (particularly those that reduce sediment), those primarily for wildlife conservation, and those which provide recreational and beautification conservation benefits. In 1967, wildlife conservation and conservation-beautification practices serving about 4.7 million acres were performed.

An appropriation of \$195,500,000 is recommended to make payments due under the program authorized in the 1969 Agricultural Appropriation Bill. Amounts owed under that program are legal commitments and funds must be provided to meet all obligations incurred.

The Committee also recommends that the advance announcement for the 1970 program be included in the bill at the \$195,500,000 level. In the opinion of a majority of the members of the Committee, this program provides the best possible means for getting soil and water conservation practices applied to the land. It is the financial core for the Nationwide conservation effort. The practices applied to the land under this program provide the land treatment phase of the conservation work included in all other programs, including the P.L. 566 small watershed projects, the flood prevention projects, the resource conservation development projects, and others. The elimination of funds for the ACP conservation practices would, therefore, require the addition of such amounts to the other conservation and watershed programs to enable them to continue their operations at current levels.

The extent of conservation measures performed under the 1967 Agricultural Conservation Program and accomplishments under the Agricultural Conservation Programs, 1936-1967, are as follows:

Practice	Unit	Extent under 1967 program	Total accomplishments 1936-1967
Water storage reservoirs constructed to distribute grazing, control erosion, and conserve irrigation water and wildlife (structures)-----	1, 000	55	2, 031
Terraces constructed to control erosion or conserve water (acres)-----	1, 000	573	30, 089
Stripcropping systems established to control wind or water erosion and conserve water (acres)-----	1, 000	266	113, 102
Permanent sod waterways established to control erosion and safely dispose of excess runoff (acres)-----	1, 000	57	1, 010
Enduring vegetative cover established or improved to control erosion, conserve water, and for land-use adjustment (acres)-----	1, 000	11, 688	(1)
Competitive shrubs controlled on range or pasture to permit growth of adequate cover for erosion control and to conserve water (acres)-----	1, 000	2, 064	55, 751
Trees and shrubs planted for forestry purposes, erosion control, or land-use adjustment (acres)-----	1, 000	191	4, 631
Forest tree stands improved for forestry purposes and erosion control (acres)-----	1, 000	220	3, 762

¹ Similar data lacking.

In terms of the types of practices, the following figures indicate that 87 percent of these practices are of permanent value:

PROGRAM YEAR 1968

[Dollars in thousands]

Practice group	Net assistance	Portion of total (percent)
Conservation practices with enduring benefits.....	\$158,745	87
Establishment of permanent cover.....	53,763	29
Improvement or protection of vegetative cover.....	48,258	26
Conservation and disposal of water.....	49,017	27
Wildlife conservation.....	4,448	3
Beautification conservation.....	1,214	1
Practices with limited area applicability.....	2,045	1
Conservation practices with benefits of limited duration.....	24,701	13
Establishment of temporary protective cover.....	21,857	12
Temporary protection of soil from erosion.....	2,844	1
Total.....	183,446	100

Note: Does not include funds used for small cost-share increases, nondeductible services or technical services.

The restoration of this program to the 1969 level is essential, as heretofore noted, to prevent a drastic reduction in soil conservation technicians and ASC County Committee employees. Testimony received from USDA officials indicates that the elimination of the ACP program would reduce 406 SCS technicians the first year, with the complete elimination during the next year of 1,020 technicians now located in SCS field offices throughout the country.

Further, such officials indicate that the elimination of the ACP program would affect a large number of the ASC county office operations. In addition to the probable closing and consolidation of some county offices, where ACP generates more than half the total workload, it would require the reduction of some 2,500 employees as follows:

Location	Man-years
Washington, D.C.....	20
Data Processing Centers, management field office.....	11
State offices.....	164
Total Federal employment.....	195
County offices.....	2,300
	2,495

A full discussion of other reasons for not eliminating or reducing this program are contained in the earlier pages of this report.

Cropland adjustment program.—This program is authorized by title VI of the Food and Agriculture Act of 1965. Its purpose is to assist farmers, through long-term agreements, to divert land from the production of unneeded crops to uses that will promote the development and conservation of soil, water, forest, wildlife, and recreational resources.

In return for diverting the cropland to approve uses, producers receive adjustment payments. They also are eligible to receive cost-sharing assistance for establishing approved conservation uses. The period of a contract cannot be less than 5 years and not more than 10 years.

An appropriation of \$78,000,000 is proposed for the next fiscal year, a decrease of \$6,500,000 below the current year and a decrease of \$1,330,000 in the 1970 budget. The Committee has not approved the proposed advance authorization of \$99.3 million to enter into additional contracts to remove about 4 million additional acres from production in fiscal year 1970.

As pointed out in previous years, the majority of this Committee feels that our commitments in Vietnam and elsewhere in the world where hunger is prevalent are such that we cannot safely follow a policy of keeping land out of production. Further, if the extent of alleged hunger in this country is anywhere near as great as many would have us believe, more rather than less production would be indicated.

In any event, the economic loss to the Nation, plus the dangers inherent in a policy of scarcity, fully supports the Committee's action in this matter.

Conservation Reserve Program.—An appropriation of \$37.5 million is included for the next fiscal year, a reduction of \$71.5 million in the 1969 appropriation and \$400,000 in the 1970 budget estimate. The decrease below last year is due to the expiration of a portion of the long-term contracts entered into under the old soil bank program back in the middle 1950's. Payments will continue through 1973 on a rapidly diminishing basis.

Emergency conservation measures.—This appropriation provides special funds for sharing the cost of emergency conservation measures to deal with cases of severe damage to farms and rangelands resulting from natural disasters. The criteria under which assistance may be made available are set forth in the Soil Conservation and Domestic Allotment Act.

Funds are allocated for use only in those counties designated by the Secretary of Agriculture as disaster counties. Assistance is made available to treat new conservation problems which (1) if not treated will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use.

The budget estimate of \$5 million is proposed for the next fiscal year. This is the same as provided for the current year. There is no way to forecast disasters in advance of their occurrence or the extent of damage which might result. With an appropriation of \$5 million, estimated recoveries of about \$3,533,000 from prior obligations, and an expected carryover of uncommitted funds of \$10,038,000, funds totaling \$18,571,000 will be available for the fiscal year 1970 to restore damages to farms and rangelands resulting from natural disasters.

Indemnity payments to dairy farmers.—Section 331 of the Economic Opportunity Act of 1964 authorized the Secretary to make indemnity payments, at fair market value, to farmers who have been directed since January 1, 1964, to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government at the time of such use. Authority granted under this section terminated January 31, 1965, and the termination date has been extended five times. The latest extension

was made to June 30, 1970, by Public Law 90-424 (82 Stat. 750) which also authorized a direct appropriation to the Secretary for indemnity payments.

A number of actions have been taken by state and local agencies to reduce residues in milk. For example, in Texas, where payments last year totaled about \$98,000, DDT is no longer recommended for controlling pink bollworm infestation of cotton. The Texas State Health Department, the Food and Drug Administration, and the Texas Department of Agriculture have been assisting the dairymen in that State with laboratory facilities and with tests and analysis of feed and milk to help prevent future contamination of their milk. Other States also have taken actions to prevent or reduce DDT contamination of milk. In early April, the Arizona Extension Service announced that DDT had been removed from Arizona's list of recommended insecticides for agricultural insect control. Similar action has since been taken by New Mexico. There are presently two producers off the market in Montana and one in Wisconsin. The extent to which producers in other States may be involved is not known at this time.

The budget request of \$200,000 is included in the bill for the next fiscal year. Payments from the beginning of the program totaled \$905,950 through June 30, 1968.

RURAL COMMUNITY DEVELOPMENT SERVICE

The Rural Community Development Service was established by the Secretary of Agriculture's Memorandum No. 1570 dated February 24, 1965. It cooperates with other agencies in all phases of rural development, and serves the Secretary of Agriculture and other departments of government at the Washington level in the implementation of rural development programs. It also identifies Federal programs outside the Department of Agriculture that are still not effectively reaching rural areas because of difficulties of communicating with a dispersed rural population. It works with Federal departments and agencies having such programs to develop effective means for overcoming these difficulties by appropriate adjustments in the programs and by setting up appropriate methods of utilizing the services of the Farmers Home Administration and other Department of Agriculture agencies to facilitate rural development programs which supplement the regular programs of these agencies in rural areas.

The budget request of \$450,000 is recommended for the coming fiscal year. The decrease of \$13,000 below fiscal year 1969 is made possible by more economical use of manpower in coordination of the rural areas development activities of the Department.

OFFICE OF THE INSPECTOR GENERAL

Internal audit and investigation activities are carried out by the Office of the Inspector General which was established by the Secretary of Agriculture's Memorandum No. 1503 dated June 25, 1962, and No. 1524 dated December 21, 1962. The Office is responsible to the Secretary for assuring that existing laws, policies, and programs of the Secretary are effectively complied with on every level of administra-

tion in accordance with the intent of the Congress and the Secretary. It insures prompt and appropriate corrective action in those areas in which deviation from established law, policy, procedure, rules, or regulations has developed; and conducts internal audit and investigative activities within the Department and coordinates and correlates them with various investigative agencies of the executive and legislative branches of the Government.

The Committee proposed an appropriation of \$13,389,000 for fiscal year 1970, a decrease of \$536,000 in the 1970 request. The increase of \$963,000 includes funds to meet mandatory pay increases, plus \$400,000 to provide additional audit coverage for the expanded meat and poultry inspection and food stamp programs.

PACKERS AND STOCKYARDS ADMINISTRATION

This agency administers the Packers and Stockyards Act of 1921, as amended (7 USC 181-229), which is designed to assure free, open, and fair competition and fair practices in the marketing of livestock, live poultry, meat and dressed poultry. It protects consumers against unfair business practices in the marketing of meat and poultry. It protects members of the livestock marketing and meat industries from unfair, deceptive, discriminatory and monopolistic practices of competitors.

Investigations are conducted to determine that the operations of packers and retail organizations do not involve the proscribed malpractices. Through the use of required annual and special reports, as well as audits, the financial stability of these organizations is determined in order to guard against loss to persons and firms dealing with them. When violations or insolvencies are established, procedures to obtain cease and desist orders are initiated in order to prevent future violations.

Operations of stockyards, market agencies, and dealers are investigated and audited to assure that their business practices are fair and in free open competition; that they are financially sound; and that adequate services and facilities are furnished by stockyards and market agencies at reasonable and nondiscriminatory rates and charges.

The bill includes an appropriation of \$3,200,000 for this purpose in the coming fiscal year. This is a decrease of \$309,300 in the revised budget request for fiscal year 1970. The increase of \$384,700 includes funds to cover mandatory pay increases, plus \$340,000 to meet increased responsibilities for supervision of livestock marketing practices and meat and poultry merchandising practices.

OFFICE OF THE GENERAL COUNSEL

The Office of the General Counsel, originally known as the Office of the Solicitor, was established in 1910 as the law office of the Department of Agriculture, and performs all of the legal work arising from the activities of the Department. The General Counsel represents the Department in administrative proceedings for the promulgation of rules having the force and effect of law; in quasijudicial hearings held in connection with the administration of various programs and acts; and in proceedings before the Interstate Commerce Commission in-

volving freight rates and practices relating to farm commodities, including appeals from the decisions of the Commission to the courts. He serves as General Counsel for the Commodity Credit Corporation and the Federal Crop Insurance Corporation. He reviews criminal cases arising under the programs of the Department for referral to the Department of Justice.

An appropriation of \$5,000,000 is provided for the next fiscal year. This is a decrease of \$559,000 in the 1970 budget request. However, it includes an additional \$389,000 to meet mandatory pay increases and to finance additional legal services related to the food stamp program and meat and poultry inspection.

OFFICE OF INFORMATION

The Office of Information was established under its present name in 1925 as a consolidation of functions formally organized as early as 1889, to coordinate in the Department the dissemination of information useful to agriculture as directed by the act establishing the Department of Agriculture in 1862.

The Office has general direction and supervision of all publications and other information, policies and activities of the Departments, including the final review, illustrating, printing, and distribution of publications; clearance and release of press, radio, television, and magazine materials; maintenance of central files of news and general illustration-type photographs and color slides; and the preparation and distribution of exhibits and motion pictures. The Office publishes the Yearbook of Agriculture, the annual report of the Secretary of Agriculture, the Department Directory, and the Department List of Publications; handles the details of distributing farmers' bulletins allotted to Members of Congress; and services letter and telephone requests for general information received in the Department. Under the Department's working capital fund, the Office also produces visual information materials, such as motion pictures, exhibits, art and graphics materials, and still photographic work for the Department and other Government agencies.

To finance these activities during the coming fiscal year, the Committee recommends an appropriation of \$2,106,000, a decrease of \$58,000 in the 1970 budget. An increase of \$109,000 is provided for mandatory pay increases and for increased postal and printing costs of bulletins and other publications.

NATIONAL AGRICULTURAL LIBRARY

The library, pursuant to the Department's Organic Act of 1862, and under delegation from the Secretary, "procures and preserves all information concerning agriculture which can be obtained by means of books * * *." Under the act establishing the Department, the library also serves as the National Agricultural Library.

The library makes available to the research workers of the Department and the State agricultural colleges, as well as to the general public, the agricultural knowledge of the world that is contained in published literature. The library collects current and historical published material and organizes it for maximum service to the Department, and to the public through reference services, loans of publica-

tions, bibliographical services, and photo reproductions of library material. It issues a monthly Bibliography of Agriculture in which is listed the agricultural literature of the world. The book collection exceeds 1.3 million volumes.

The Committee proposes an appropriation of \$3,200,000 for fiscal year 1970. This is a decrease of \$92,750 below the current year and a reduction of \$26,750 in the budget request. The move to the new library building at Beltsville should be complete in fiscal year 1969, with a resulting decrease in non-recurring moving costs.

OFFICE OF MANAGEMENT SERVICES

The Office of Management Services provides consolidated management support services to certain agencies and offices of the Department. It was established by Secretary's Memorandum No. 1529, dated January 29, 1963, to provide greater economy and effectiveness in the rendering of management service through: improved utilization of manpower and management techniques; increased specialization of professional skills; and more extensive use of time-saving equipment.

The consolidated management support functions include budget and finance, personnel and related programs, administrative services, and public information work. The organization structure of OMS is based upon these functions with operating divisions providing the services for the following agencies and offices: Office of the Secretary, Office of Budget and Finance, Office of Hearing Examiners and the Judicial Officer, Office of Management Improvement, Office of Personnel, Office of Plant and Operations, Rural Community Development Service, Office of Information, National Agricultural Library, Office of the General Counsel, Office of the Inspector General, Farmer Cooperative Service, Commodity Exchange Authority, Cooperative State Research Service, Economic Research Service, Statistical Reporting Service, and Packers and Stockyards Administration.

An appropriation of \$3,000,000 is included in the bill for fiscal year 1970, a decrease of \$69,000 in the budget estimate. The increase of \$158,400 is provided to cover mandatory pay increases and to meet increased requirements for administrative support for the agencies served by this office.

GENERAL ADMINISTRATION

The Secretary of Agriculture, assisted by the Under Secretary, the Assistant Secretaries, and members of their immediate staff, directs and coordinates the work of the Department; formulates and develops policy; maintains relationships with agricultural organizations and others in the development of farm programs; and maintains liaison with the Executive Office of the President and Members of Congress on all matters pertaining to legislation and policy to insure effective performance of the agricultural programs of the Department.

The following activities are also included under General Administration:

Personnel administration and service is carried on by the Office of Personnel, the staff agency with responsibility for the personnel management program of the Department.

Budgetary and financial administration and service is carried on by the Office of Budget and Finance, the staff agency with responsibility for functions relating to overall administration of the budgetary, fiscal, and related affairs of the Department.

General operations are carried on by the Office of Plant and Operations, a staff agency exercising general staff management direction of the housing of the Department's activities; the leasing of commercial space and management of real property; procurement activities; purchasing, warehousing, utilization and disposal of administrative and operating supplies and equipment.

Management appraisal and systems development functions are carried out by the Office of Management Improvement which was established by Secretary's Memorandum No. 1477 of December 8, 1961. The Office is responsible for the general direction, leadership, and coordination in the department of management appraisals, systems designs, automatic data processing, operations research, and related management techniques.

Regulatory hearings and decisions include the work of the Office of Hearing Examiners and of the Judicial Officer. The hearing examiners carry out the provisions of the Administrative Procedure Act relating to the holding of hearings (5 United States Code 556). Hearings are held in connection with prescribing of new regulations and orders, and on disciplinary complaints filed by the Department, or on petitions filed by private parties asking relief from some action of the Department.

The Committee recommends \$4,838,000 for fiscal year 1970, the same amount as available for fiscal year 1969, including the pending supplemental of \$224,000 for pay act increases. The activities for which increased funds were requested are now being carried on by a special unit for which funds were provided in the 1966 Appropriation Act for Agriculture.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

The Rural Electrification Administration was established by Executive Order 7037 of May 11, 1935, to make loans for extension of central station electric service to unserved rural people. It was continued by the Rural Electrification Act of May 20, 1936, and became part of the Department of Agriculture on July 1, 1939, under Reorganization Plan II. On October 28, 1949, Public Law 423 amended the act to authorize loans for furnishing and improving rural telephone service.

Electric and telephone construction loans are self-liquidating within a period not to exceed 35 years at 2 percent interest.

Loan authorizations.—The full budget requests of \$320,000,000 for electrification loans and \$123,300,000 for telephone loans are included in the bill for the coming fiscal year. These amounts, together with unobligated funds which will be carried forward from prior year authorizations, will provide total funds of \$345,000,000 for electrification loans and \$125,000,000 for telephone loans.

Power requirements of the REA borrowers continue to increase at a steady pace. During fiscal year 1968, consumers used approximately 56 billion kilowatt-hours of electricity. By 1980, consumption is expected to increase to an estimated 120 billion kilowatt-hours. Average monthly kilowatt-hour consumption by farm and residential consumers increased more than 28 kilowatt-hours during the past year, to a current average of 571 kilowatt-hours per month. At the end of fiscal year 1968, there were 5,929,361 consumers being served on REA financed lines.

The telephone program has been expanding at the rate of about 100,000 new subscribers annually. There is a continuing demand for the improvement of service by subscribers in rural areas. The development and economic well-being of rural areas urgently require that critical needs for efficient and reliable communications be met. Long-range economy in the use of loan funds to build these systems requires that they meet industry standards and provide service comparable to that in neighboring towns and cities.

Testimony presented to the Committee indicates that the total demand for electrification loans for the coming fiscal year will exceed funds which can be made available under present budgetary restrictions. Therefore, it will be necessary for the Department to devote as much as possible of the amount available to meet the urgent need for additional distribution facilities. In this connection, the statement carried in last year's report on this subject is repeated:

In view of the urgent need for additional distribution facilities, therefore, it is essential that generation and transmission loans be held to a minimum in the coming year. The committee recognizes the importance of the availability of G. & T. loan funds to the bargaining positions of the REA cooperatives. It does not feel, however, that this position will be weakened by a careful policy in regard to such loans.

The Nation is now facing some of the same problems experienced in the early stages of the electrification program in the development of the more recent programs for telephones and water and sewer systems. It might be possible to meet some of these current problems and speed up area coverage for the latter two programs by enlarging the coverage of the rural cooperatives to handle all three services. The Department is requested to study this matter during the coming year and to report back to Congress during next year's hearings.

Salaries and expenses.—An appropriation of \$13,429,000, the full budget request, is proposed for fiscal year 1970. This amount includes an additional \$624,000 for pay increases which will fund this account at the 1969 level of operation.

FARMERS HOME ADMINISTRATION

The Farmers Home Administration, established November 1, 1946, conducts the following primary activities:

Makes direct and insured farm ownership loans to farmers and ranchers for acquiring, enlarging, or improving farms, including farm buildings, land and water development, use and conservation, refinancing indebtedness, and for loan-closing costs. Loans are repayable in not more than 40 years and bear interest

not in excess of 5 percent. Insured loans are made with funds advanced by private lenders and payments of principal and interest are fully guaranteed.

Makes direct and insured soil and water conservation loans to farmers and ranchers and to associations for the effective development and utilization of water supplies and waste disposal systems and for the improvement of farmland by soil and water conserving facilities and practices. Loans are repayable in not more than 40 years and bear interest not in excess of 5 percent. Insured loans are made on the same basis as farm ownership insured loans.

Makes direct operating loans to farmers and ranchers for costs incident to reorganizing a farming system for more profitable operations, for a variety of essential farm operating expenses such as purchase of livestock, farm equipment, feed, seed, fertilizer, and farm supplies, for financing land and water development, use and conservation, for refinancing indebtedness, for other farm and home needs, and for loan-closing costs. Loans bear interest at 5 percent and may be made for periods up to 7 years, but may be renewed for not more than 5 additional years.

Makes direct emergency loans in designated areas where a natural disaster has caused a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources, including the Farmers Home Administration. Emergency loans bear interest not in excess of 3 percent and are repayable not later than provided for the regular loans for similar purposes.

Makes direct rural housing loans for building purposes and insured rural housing loans pursuant to title V of the Housing Act of 1949, as amended, to farm owners, to owners of other real estate in rural areas, and to long-term farm leaseholders to construct, improve, alter, repair or replace dwellings and essential farm service buildings. Direct farm enlargement and development loans, along with building loans, are also made to farmowners on potentially adequate farms who need to develop their farms so as to increase their income sufficiently to repay the loans. Loans are repayable in not more than 33 years and bear interest at 5 percent.

Makes watershed and flood prevention loans from funds appropriated under "Watershed works of improvement, Soil Conservation Service" and under "Flood prevention, Soil Conservation Service." Such loans are made to local organizations for installing, repairing, or improving works of improvement and water storage facilities, purchasing sites or rights-of-way and for related costs. Loans are repayable in not more than 50 years at an interest rate based on specified outstanding obligations of the Treasury.

Makes grants for the preparation of comprehensive plans for the development of water or sewer systems in rural areas pursuant to subtitle A of the Consolidated Farmers Home Administration Act of 1961, as amended. Grants for the preparation of comprehensive water and sewer plans may be made to public bodies such as counties, townships, planning commissions, and similar units of government, and such other agencies as may have au-

thorization to prepare such official comprehensive plans. The amount of each such grant will be limited to the actual expenses for the preparation of the plans which are outside the normal budget of the recipient organization.

Makes grants for water and sewer development costs pursuant to subtitle A of the Consolidated Farmers Home Administration Act of 1961, as amended. Development grants are made to associations, including corporations operating on a nonprofit basis, municipalities, and similar organizations, generally designated as public or quasi-public agencies, that propose projects for development, storage, treatment, purification, and distribution of domestic water or the collection, treatment, or disposal of waste in rural areas. Such grants may not exceed 50 percent of the development cost of the projects, and supplement other funds borrowed or furnished by applicants to pay development costs. No loan or grants may be made which would cause the unpaid principal indebtedness of any association owed to the Farmers Home Administration, together with the amount of any assistance in the form of a grant, to exceed \$4 million at any one time.

Makes insured loans for rural rental housing pursuant to title V of the Housing Act of 1949, as amended. Such insured loans are made to individuals, corporations, associations, trusts, or partnerships to provide moderate cost rental housing and related facilities for elderly persons in rural areas. These loans, made with funds advanced by private lenders, are repayable in the number of years best suited to the individual case and bear interest at 5½ percent.

Makes direct loans for rural rental housing pursuant to title V of the Housing Act of 1949, as amended. Such direct loans are made to private nonprofit corporations and consumer cooperatives to provide modest cost rental housing and related facilities for elderly persons of low or moderate income in rural areas. These direct loans, made from the rural housing direct loan account, are repayable in not more than 50 years and bear interest at a rate similar to that of the direct loan program of the Housing and Home Finance Agency for the elderly in urban areas which is currently 3 percent.

Provides technical assistance and makes direct loans for rural renewal activity pursuant to section 102 of the Food and Agriculture Act of 1962. Loans are made to local agencies or groups for rural renewal projects specifically related to conservation and land utilization. Each project financed with loan funds will be an important component of an overall rural renewal plan developed to rebuild the economy of the designated area. To be eligible for designation as a rural renewal area, the locality must be one of chronic underemployment on farms and unemployment in the surrounding communities. The area must also be one in which agriculture or forestry contribute substantially to the economy. Rural renewal loans are repayable in not more than 30 years, with repayment of principal and interest deferred up to 5 years, if necessary. Loans bear interest at the average rate paid by the U.S. Treasury on obligations of similar maturity. The present rate is 3.225 percent. Loans will not be made in excess of \$250,000.

Makes insured farm labor housing loans pursuant to title V of the Housing Act of 1949, as amended. Such insured loans are made either to a farmowner or to a public or private nonprofit organization to provide modest living quarters and related facilities for domestic farm labor. These loans, which are made with funds advanced by private lenders, are repayable in not more than 33 years at not in excess of 5 percent. Otherwise, insured farm labor housing loans are subject to the same terms and limitations applicable to other types of insured loans, except that these loans are not limited to family farms or to any specific amount.

In fiscal year 1965, the Farmers Home Administration began to make direct resource conservation and development loans from funds appropriated to the Soil Conservation Service under "Resource conservation and development." Loans are made to local organizations and individuals for planned conservation measures and works of improvement as specified in approved work plans.

Direct loan account.—Pursuant to the Consolidated Farmers Home Administration Act of 1961, a direct loan account was established in fiscal year 1962. Collections of principal and interest on loans outstanding are deposited in the direct loan account and are available for principal and interest payments on borrowings from the Secretary of the Treasury and for making additional loans for (a) farm ownership, (b) soil and water conservation, and (c) operating purposes. Such loans may be made only in such amounts as may be authorized in annual appropriation acts.

The bill authorizes continuation of the loan programs financed under this account at the fiscal year 1969 level, as follows:

Real Estate loans (including farm ownership and soil and water loans).....	\$83, 000, 000
Operating loans.....	275, 000, 000
Soil Conservation loans (watersheds, flood prevention, resource conservation and development).....	4, 900, 000
Total loan authorizations.....	362, 900, 000

The Committee has restored proposed budget reductions of \$13,400,000 for soil and water loans and \$25,000,000 for farm operating loans. The restoration of the 1969 level for farm operating loans is based on the urgent need for reasonably priced farm credit to enable the smaller farm producers to stay in business. The restoration for soil and water loan funds is directly related to the restoration of the 1969 level for the other soil and water conservation programs of the Department.

As of the end of the current fiscal year, it is estimated that this account will have an unused balance of \$662,343,000. This amount, together with collections during fiscal year 1970 will provide adequate funds to meet these authorized loan levels for the next year.

The average size of operating loans has increased steadily over the past few years. The increase in the volume of business carried on by family farmers has required more operating capital for larger investments in livestock, farm machinery and equipment for efficient farming. These trends, which are likely to continue in the future, indicate the constantly increasing demand for farm credit in all parts of the country.

Rural housing direct loan account.—Title X of Public Law 89-117 (Housing and Urban Development Act of 1965), approved August 10, 1965, amends title V of the Housing Act of 1949 to provide for the establishment of a rural housing direct loan account. This amendment also authorizes the transfer to the rural housing direct loan account of (1) all funds, claims, notes, mortgages, contracts, and property, and all collections and proceeds therefrom under the direct loan provisions of title V of the Housing Act of 1949 and any unexpended balances of amounts borrowed from the Secretary of the Treasury under section 511 of the act, and (2) all unexpended balances of appropriations for direct loans under title V, including funds authorized for direct elderly rental housing loans by section 515(a) of the act.

The fiscal year 1969 direct loan authorization of \$30,000,000 has been provided again for fiscal year 1970. In addition, the 1970 budget contemplates a total of about \$1.2 billion of insured housing loans, for next year, well over twice the amount expected to be available from such sources in the current fiscal year.

Public Law 89-754, approved November 3, 1966, eliminated the \$300 million annual limitation on insured rural housing building loans to individuals with low-to-moderate income. The amendment also stipulated that insured rural rental housing loans could be made to provide rental housing and related facilities for other persons and families of moderate income in rural areas, as well as for elderly persons and families. Public Law 90-448, approved August 1, 1968, authorized interest credits to the accounts of certain qualified borrowers.

Emergency Credit Revolving Fund.—An appropriation of \$31,918,000 is included in the 1970 bill to reimburse the Commodity Credit Corporation for funds advanced to this account last year pursuant to P.L. 90-328. This covers the original \$30,000,000 advance, plus accrued interest of \$1,918,000.

Emergency loans are made at 3 percent interest to eligible farmers, ranchers or oyster planters and to domestic corporations or partnerships engaged primarily in farming, ranching, or oyster planting in any designated emergency area, or to persons or corporations outside such areas who have suffered severe production losses not general to the area as a result of a natural disaster.

Loans may be made for any essential farm and home operating expenses, the repair or replacement of farm equipment made necessary by normal wear or natural disasters, and real property repairs or replacements made necessary by natural disasters. The loans are not made to refinance existing debts nor to compensate applicants for their losses resulting from the disaster. There is no statutory limit on the size of emergency loans. However, such loans are made for the minimum amount necessary to achieve the above purposes. Emergency loans are repayable in accordance with the applicant's ability to pay, but the repayment schedules may not exceed the maximum number of years authorized for real estate and operating loans for similar purposes under sub titles A and B of the Act. Loans are secured in a manner to reasonably protect the Government's interest and are made only when it appears that the loan can be repaid.

Rural water and waste disposal grants.—This new program was established by subtitle A of the legislation adopted last session (Public Law 89-240) to provide grants for the development of water or sewer

systems in rural areas. The amount of the grant may not exceed 50 percent of the total cost of the project.

The Committee recommends an appropriation of \$40,000,000 for this purpose in the next fiscal year. This amount is \$12,000,000 over the 1969 level and the revised 1970 budget. It is \$12,000,000 under the original request contained in the January budget.

The need to develop central water supplies and waste disposal systems in rural areas far exceeds the grant and loan resources available to the Farmers Home Administration. A priority system has been established to facilitate meeting the most urgent needs with the funds currently available. This increase will significantly assist in meeting such needs.

A recent survey indicates that as of March 1, 1968, about 1,500 rural counties will require Farmers Home Administration grant assistance to finance the preparation of comprehensive water and sewer plans. It is necessary that these plans be completed prior to October 1, 1971 for the area to be eligible for development grant assistance. An average of 18 months is needed to complete a plan. Therefore, if counties are to meet the October 1, 1971, deadline, a substantial number of the plans must be started in fiscal year 1970.

Rural housing for domestic farm labor.—This program is carried out under section 516 of the Housing Act of 1949, as amended (Public Law 88-560). The program provides for sharing up to two-thirds of the total development cost of farm labor housing projects.

The bill carries a proposed appropriation of \$1,250,000 for fiscal year 1970. In addition, it is expected that about \$1,000,000 of prior year funds will carry forward, making a total of \$2,250,000 available for next year.

Mutual and self-help housing.—This is a new grant program authorized by Public Law 90-448, approved August 1, 1968. These grants are for technical assistance and supervision. They will be used to pay the cost of construction supervisors who will work with families to guide them in the construction of their homes. Under self-help usually from 6 to 10 families work together and through this mutual exchange of labor save from 20 to 25 percent of the cost of their homes. Some funds also would be used for administrative expenses of the organizations providing the self-help assistance.

An appropriation of \$1,250,000 is provided in the bill to enable this program to get started in the next fiscal year.

Self-Help Housing Land Development Fund.—This program was also authorized by Public Law 90-448, approved August 1, 1968. The fund will be used as a revolving fund for making loans to public or private nonprofit organizations for the acquisition and development of land as building sites to be subdivided and sold to eligible families, nonprofit organizations and cooperatives. It is estimated that 15 loans will be made in 1969 with \$600,000, and a similar number can be made in fiscal year 1970 with the funds included in this bill.

These loans are made for a maximum of 2 years at 3 percent interest. The principle indebtedness of any organization will not exceed \$100,000.

Salaries and expenses.—The size and scope of the various programs of the Farmers Home Administration have increased steadily through the years. The following figures indicate the expected increase next year in the number of loans and grants to be made.

	1969	1970	Change	Percent of change
Loans:				
Farm ownership.....	16,500	20,130	+3,630	+22
Rural housing.....	75,265	173,625	+98,360	+131
Housing and Urban Development guaranteed.....	650	5,000	+4,350	+669
Other.....	62,369	53,458	-8,911	-17
Total loans.....	154,784	252,213	+97,429	+63
Grants:				
Water and sewer.....	849	1,405	+556	+65
Farm labor housing.....	40	38	-2	-5
Mutual and self-help housing.....		20	+20	
Total grants.....	889	1,463	+574	+65
Total loans and grants.....	155,673	253,676	+98,003	+63

During 1970, the Farmers Home Administration will service an estimated \$5.3 billion of outstanding loans, an increase of \$820 million over 1969. The estimated increase in number of loans to be serviced is as follows:

	1969	1970	Change	Percent of change
Farm ownership.....	92,629	100,400	+7,771	+8
Rural housing.....	195,729	261,002	+65,273	+33
Association.....	3,755	5,078	+1,323	+35
All other.....	118,242	118,825	+583	
Total.....	410,355	485,305	+74,950	+18

To meet this growth in administrative workload, the Committee has included \$65,000,000 in the bill for 1970, an increase of \$6,770,000 over fiscal year 1969. These additional funds will cover mandatory pay increases and will provide an additional \$5,000,000 to meet increased program requirements.

The amounts recommended will finance an additional 590 man-years of personnel for next year. While this is not the full increase requested, it appears adequate to meet the most essential needs. Since qualified personnel are limited for this as well as other agencies of government, the gradual expansion allowed by this increase seems to be the most realistic and reasonable approach to meeting the need for expanded services.

TITLE III—CORPORATIONS (INCLUDES PUBLIC LAW 480 AND OTHER FOREIGN ASSISTANCE PROGRAMS)

FEDERAL CROP INSURANCE CORPORATION

The Federal Crop Insurance Corporation is a wholly owned Government corporation created February 16, 1938, to carry out the Federal Crop Insurance Act. Its purpose is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance and providing the means for research and experience helpful in devising and establishing such insurance.

Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by unavoidable natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

The Committee recommends the full budget estimate of \$13,648,000 for administrative and operating costs during the coming fiscal year. This amount, which consists of an appropriation of \$12,000,000 and a charge against premium income of \$1,648,000, will provide the same level of funding as authorized for fiscal year 1969, including the supplemental for pay increases.

The bill also includes an appropriation of \$10,000,000, to provide the Corporation with sufficient working capital to finance the crop insurance program in the coming year. Recent unexpected losses, primarily on citrus crops in Florida and California due to freezing weather, have reduced the balance of the capital account to a point where it should be replenished to provide a reserve to meet any possible unforeseen emergency situations during the next year.

COMMODITY CREDIT CORPORATION

The Corporation was organized October 17, 1933, under the laws of the State of Delaware, as an agency of the United States, and was managed and operated in close affiliation with the Reconstruction Finance Corporation. On July 1, 1939, it was transferred to the Department of Agriculture by the President's Reorganization Plan I. On July 1, 1948, it was established as an agency and instrumentality of the United States under a permanent Federal charter by Public Law 80-806, as amended. Its operations are conducted pursuant to this charter and other specific legislation.

The Commodity Credit Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, food, feeds, and fibers. Its purposes include stabilizing, supporting, and protecting farm income and prices; assisting in the maintenance of balance and adequate supplies of such commodities; and facilitating their orderly distribution. The Corporation also makes available materials and facilities required in connection with the production and marketing of such commodities.

The Corporation is managed by a Board of Directors appointed by the President and confirmed by the Senate, subject to the general supervision and direction of the Secretary of Agriculture, who is, ex officio, a Director and Chairman of the Board. In addition, it has a bipartisan Advisory Board of five members appointed by the President to survey the general policies of the Corporation and advise the Secretary with respect thereto.

Personnel and facilities of the Agricultural Stabilization and Conservation Service, ASC State and county committees, and other USDA agencies are used to carry out Corporation activities.

The Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion. Funds are borrowed from the Federal Treasury and may also be bor-

rowed from private lending agencies. In addition it received funds from repaid loans and the sale of commodities. In connection with loan guarantees, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by lending agencies or certificates of interest issued in connection with the financing of price-support operations. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the act of March 8, 1939 (15 U.S.C. 713a-4).

Reimbursement for net realized losses.—Public Law 87-155 (15 U.S.C. 713 a 11, 12) authorizes appropriations to reimburse the Corporation for net realized losses previously incurred. The appropriations provided under such authority, therefore, must represent prior year losses actually reflected in its accounts and shown in its reports of financial condition.

The bill includes a total appropriation of \$4,965,934,000 to restore capital impairment incurred in previous years, as follows:

Balance of 1961 inventory revaluation.....	\$57, 047, 170
Full reimbursement of 1967 losses.....	2, 210, 668, 971
Partial reimbursement of 1968 losses.....	2, 698, 217, 859
Total appropriation.....	4, 965, 934, 000

If necessary to perform the functions, duties, obligations or commitments of the Commodity Credit Corporation, administrative personnel and others serving the Corporation shall be paid from funds on hand or from those funds received from the redemption or sale of commodities. Such funds shall also be available to meet program payments, commodity loans, or other obligations of the Corporation.

FOREIGN ASSISTANCE PROGRAMS

A number of statutes provide for the facilities of the Commodity Credit Corporation to be used in carrying out programs for the exportation of surplus agricultural commodities and authorize appropriations to reimburse the Corporation for costs incurred in connection with such programs.

Prior to fiscal year 1962, the Corporation was reimbursed for the costs of these activities by appropriations subsequent to incurrence of the costs. Beginning in the fiscal year 1962, the Congress added funds to place these activities on a pay-as-you-go basis, appropriating for estimated costs in fiscal year 1962. Subsequent bills have included funds for each ensuing fiscal year on the same advance funding basis as for other programs of the Department.

The following activities are currently being carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83d Congress, as amended by the Food for Peace Act:

Sale of agricultural commodities for foreign currencies (title I) (7 U.S.C. 1701-1709).—Under this title, the United States accepts foreign currency in payment for sales of available U.S. farm products. These currencies may then be used for such purposes as agricultural market development, military equipment, facilities and services for the common defense, payment of U.S. obligations abroad, and military housing, among other specified purposes. If regular appropriations of any Federal agency are available for any purpose for which foreign

currencies are used, the agency must buy the currency for dollars. These dollars are credited to the Commodity Credit Corporation and reduce Public Law 480 appropriations.

Sale of agricultural commodities for dollars on credit terms (title I) (7 U.S.C. 1761-1709).—This title provides for sales of U.S. farm products under long-term credit arrangements. The major objective is to stimulate and increase sales for dollars through credit. The purpose is to expand international trade; to develop and expand export markets; and to encourage economic development in the developing countries. Agreements may be entered into for the delivery of available U.S. farm products for periods of up to 10 years. Agreements are with the governments of friendly nations, including financial institutions acting on behalf of such nations. Agreements may also be made with U.S. and foreign private traders. Repayments are made in U.S. dollars, with interest. Repayments may be for periods of up to 20 years. Interest is charged from the date of last delivery in each calendar year. Minimum rates of interest are set by law.

Commodities disposed of and other costs incurred in connection with donations abroad (title II) (7 U.S.C. 1721-1724).—Under this title, donations of available agricultural commodities (not limited to stocks held by Commodity Credit Corporation) are made to assist friendly nations and friendly peoples, and to promote economic and community development in underdeveloped countries. Up to \$7.5 million each year may be spent to buy foreign currencies accruing under title I. These funds are to meet special costs (other than personnel and administrative) of cooperating groups. The Corporation pays ocean freight on shipments under this title.

The Commodity Credit Corporation also conducts a special export program for *bartered materials for supplemental stockpile*.

Public Law 480.—The bill carries a total of \$900,000,000 for the next fiscal year, \$400,000,000 of which is for Title I sales for foreign currencies and for dollars on credit terms, and \$500,000,000 is for Title II donations abroad. Approximately \$200,000,000 of the latter amount is provided to fund 1969 costs, leaving the balance of \$300,000,000 for fiscal year 1970 shipments.

In addition, an estimated \$361,000,000 will be available during the next fiscal year from sales of foreign currencies and carryover of unused 1969 funds. This will make available \$1,261,000,000 for fiscal year 1970.

The amounts provided in the appropriations are not fully controlling since the basic law permits the Government to enter into agreements involving expenditures which must be financed from subsequent appropriations. On the other hand, if funds appropriated are in excess of amounts actually used in a particular year, such amounts are applied against current year's costs and reduce the subsequent appropriations required.

Bartered materials for supplemental stockpile.—The Committee recommends an appropriation of \$750,000 for the coming fiscal year, one half of the budget estimate. These funds are to be used to pay off obligations incurred under contracts entered into prior to June 30, 1968. No new contracts are to be entered into pursuant to this appropriation.

TITLE IV—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

Limitation on administrative expenses.—The Administration supervises, examines, and provides facilities and services to a coordinated system of farm credit banks and associations making loans to farmers and their cooperatives. Services and facilities furnished by the Administration facilitate the operations of the several agencies and their progress toward farmer ownership. Typical services are: custody of collateral for bonds and debentures, assistance in financing and investments, credit analysis, development of land appraisal standards and policies, preparation of reports and budgets, and preparation and distribution of information on farm credit. All expenses of these activities are paid by assessments collected from the banks and associations of the farm credit system.

Since December 4, 1953, the Administration has been an independent agency under the direction of a Federal Farm Credit Board (12 U.S.C. 636b). The Administration, originally created by Executive Order No. 6084 on May 27, 1933, was transferred to the Department of Agriculture on July 1, 1939, by Reorganization Plan No. 1.

The Committee recommends the full budget estimate of \$3,628,000 for the next fiscal year. The increase of \$192,000 is to cover mandatory pay increases and additional personnel costs needed in fiscal year 1970.

TITLE V—GENERAL PROVISIONS

Sections 501 through 507 of the general provisions contained in the accompanying bill for fiscal year 1970 are essentially the same as those included in previous appropriation bills.

Section 501 authorizes the purchase of 530 passenger motor vehicles in fiscal year 1970. This will permit the replacement of 468 vehicles which have reached the Federal replacement standard of 6 years or 60,000 miles. It also authorizes the purchase of 62 passenger vehicles to replace an equal number of sedan delivery trucks in the Agricultural Research Service and the Soil Conservation Service, with an annual saving estimated at about \$6,000 per annum.

Sections 508 and 509 have been restored to the bill, although proposed to be eliminated by the 1970 budget. Section 508 limits the use of USDA funds to finance outside boards, commissions and similar groups. Section 509 prohibits the payment of funds to employees convicted of inciting, promoting or carrying on a riot.

A new section, Section 510, has been added to the bill. This provision removes the Department of Agriculture from the personnel limitations imposed by section 201 of Public Law 90-364.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in any appropriation act are included in the bill:

On page 6, in connection with the Cooperative State Research Service:

of which amount, the sum of \$201,642.80 shall be paid to those States for the benefit of the counties from which timber receipts

earned as a result of agreements entered into under the authority of the Weeks Act (16 U.S.C. 500) have been withheld:

On page 18, in connection with Child Nutrition Programs:

and \$10,000,000 for special food service programs for children to remain available until September 30 of the next succeeding fiscal year:

On page 19, in connection with Section 32:

and (c) milk for needy children in schools and other nonprofit institutions heretofore receiving milk under the special milk program.

On page 26, in connection with Cropland Adjustment Program:

Provided, That no additional agreements are authorized for fiscal year 1970.

On page 33, in connection with salaries and expenses, Farmers Home Administration:

and for carrying out the responsibilities of the Secretary of Agriculture under sections 235 and 236 of the National Housing Act, as amended (12 U.S.C. 1715z-1715z-1), and section 701 of the Housing Act of 1954, as amended (40 U.S.C. 461),

On page 39, in connection with General Provisions:

SEC. 510. Positions in the agencies covered by this Act, whether financed from funds contained in this Act or from other sources, may be filled during the fiscal year 1970 without regard to the provisions of section 201 of Public Law 90-364, and such positions shall not be taken into consideration in determining numbers of employees under subsection (a) of that section or numbers of vacancies under subsection (b) of that section.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND THE BUDGET ESTIMATES FOR 1970

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL FUNDS

[Becomes available automatically under earlier, or "permanent", law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

Agency and item (1)	New budget (obligational) authority, 1969 (2)	Budget estimate of new (obligational) authority, 1970 (3)	Increase (+) or decrease (—) (4)
Permanent appropriations:			
Agricultural Research Service: Animal quarantine station	-----	\$426, 600	+ \$426, 600
Consumer and Marketing Service:			
Removal of surplus agricultural commodities (sec. 32)	¹ \$589, 227, 883	¹ 657, 297, 000	+68, 069, 117
Perishable Agricultural Commodities Act fund	932, 000	988, 000	+56, 000
Total, Consumer and Marketing Service	590, 159, 883	658, 285, 000	+68, 125, 117
Agricultural Stabilization and Conservation Service: National Wool Act	72, 451, 002	64, 776, 000	-7, 675, 002
Farmers Home Administration: Sales insufficiencies	579, 000	1, 278, 000	+699, 000
Total, permanent appropriations	663, 189, 885	724, 765, 600	+61, 575, 715

¹ Includes transfers to other appropriation items as shown in later tables.

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—TRUST FUNDS

[Becomes available automatically under earlier, or "permanent," law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

Agency and item (1)	New budget (obligational) authority, 1969 (2)	Budget estimate of new (obligational) authority, 1970 (3)	Increase (+) or decrease (—) (4)
Agricultural Research Service: Miscellaneous trust funds-----	\$1,393,000	\$1,212,000	-\$181,000
Soil Conservation Service: Miscellaneous contributed funds-----	1,100,000	1,200,000	+100,000
Economic Research Service: Miscellaneous contributed funds-----	35,000	35,000	-----
Consumer and Marketing Service: Fees for inspection and grading-----	32,855,000	33,717,000	+862,000
Other agencies: Miscellaneous contributed funds-----	20,000	25,000	+5,000
Total, trust funds-----	35,403,000	36,189,000	+786,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1969 (2)	Budget estimates of new (obligational) authority, fiscal year 1970 (3)	New budget (obligational) authority recom- mended in bill (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1969 (5)	Budget estimates of new (obligational) authority, fiscal year 1970 (6)
TITLE I—GENERAL ACTIVITIES					
Agricultural Research Service:					
Salaries and expenses:					
Research:					
Direct appropriation-----	\$129, 118, 300	\$130, 631, 300	\$130, 182, 000	+\$1, 063, 700	—\$449, 300
Transfer from sec. 32-----	(15, 000, 000)	(15, 000, 000)	(15, 000, 000)		
Total, research-----	(144, 118, 300)	(145, 631, 300)	(145, 182, 000)	(+ 1, 063, 700)	(—449, 300)
Plant and animal disease and pest control-----	86, 639, 500	91, 176, 500	89, 493, 000	+ 2, 853, 500	—1, 683, 500
Special fund (reappropriation)----	2, 000, 000	(2, 000, 000)	(2, 000, 000)	—2, 000, 000	
Total, salaries and expenses----	217, 757, 800	221, 807, 800	219, 675, 000	+ 1, 917, 200	—2, 132, 800
Salaries and expenses (special foreign currency program)-----	4, 500, 000	8, 287, 000	4, 500, 000		—3, 787, 000
Total, Agricultural Research Service-	222, 257, 800	230, 094, 800	224, 175, 000	+ 1, 917, 200	—5, 919, 800

Cooperative State Research Service: Payments and expenses-----	59, 105, 000	63, 730, 000	61, 175, 000	+ 2, 070, 000	- 2, 555, 000
Extension Service:					
Payments to States and Puerto Rico--	81, 607, 500	113, 131, 000	112, 391, 000	+ 30, 783, 500	- 740, 000
Retirement and employees' compensation costs for extension agents-----	9, 318, 500	10, 240, 000	10, 000, 000	+ 681, 500	- 240, 000
Penalty mail-----	3, 299, 000	3, 500, 000	3, 400, 000	+ 101, 000	- 100, 000
Federal Extension Service-----	2, 838, 000	4, 038, 000	3, 338, 000	+ 500, 000	- 700, 000
Total, Extension Service-----	97, 063, 000	130, 909, 000	129, 129, 000	+ 32, 066, 000	- 1, 780, 000
Farmer Cooperative Service: Salaries and expenses-----	1, 341, 000	1, 635, 000	1, 500, 000	+ 159, 000	- 135, 000
Soil Conservation Service:					
Conservation operations-----	114, 893, 000	118, 786, 000	118, 786, 000	+ 3, 893, 000	-----
River basin surveys and investigations--	8, 780, 000	8, 187, 000	8, 187, 000	- 593, 000	-----
Watershed planning-----	6, 165, 000	6, 209, 000	6, 209, 000	+ 44, 000	-----
Watershed works of improvement-----	57, 220, 000	55, 078, 000	57, 873, 000	+ 653, 000	+ 2, 795, 000
Flood prevention-----	20, 000 000	20, 223, 000	20, 223, 000	+ 223, 000	-----
Great Plains conservation program-----	16, 000, 000	14, 000, 000	15, 000, 000	- 1, 000, 000	+ 1, 000, 000
Resource conservation and development-----	6, 256, 000	8, 452, 000	7, 452, 000	+ 1, 196, 000	- 1, 000, 000
Total, Soil Conservation Service--	229, 314, 000	230, 935, 000	233, 730, 000	+ 4, 416, 000	+ 2, 795, 000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1969 (2)	Budget estimates of new (obligational) authority, fiscal year 1970 (3)	New budget (obligational) authority recom- mended in bill (4)	Bill compared with--	
				New budget (obligational) authority, fiscal year 1969 (5)	Budget estimates of new (obligational) authority, fiscal year 1970 (6)
TITLE I—GENERAL ACTIVITIES—Con.					
Economic Research Service: Salaries and expenses-----	\$12, 789, 000	\$13, 562, 000	\$13, 450, 000	+\$661, 000	--\$112, 000
Statistical Reporting Service: Salaries and expenses-----	14, 326, 000	15, 055, 000	14, 950, 000	+ 624, 000	--105, 000
Consumer and Marketing Service:					
Consumer protective, marketing, and regulatory programs-----	116, 264, 500	135, 254, 200	130, 867, 000	+14, 602, 500	--4, 387, 200
Payments to States and possessions-----	1, 750, 000	1, 600, 000	1, 600, 000	--150, 000	-----
Special milk program: Transfer from sec. 32-----	(104, 000, 000)	-----	-----	(-104, 000, 000)	-----
Child nutrition programs (school lunch program):					
Direct appropriation-----	188, 474, 000	117, 500, 000	117, 500, 000	--70, 974, 000	-----
Transfer from sec. 32-----	(64, 325, 000)	(194, 266, 000)	(194, 266, 000)	(+129, 941, 000)	-----
Total, child nutrition programs-----	52, 799, 000)	(311, 766, 000)	(311, 766, 000)	(+58, 967, 000)	-----

Food stamp program-----	280, 000, 000	340, 000, 000	340, 000, 000	+60, 000, 000	-----
Total, Consumer and Marketing Service-----	586, 488, 500	594, 354, 200	589, 967, 000	+3, 478, 500	-4, 387, 200
Foreign Agricultural Service:					
Salaries and expenses-----	21, 541, 300	23, 937, 000	22, 937, 000	+1, 395, 700	-1, 000, 000
Transfer from sec. 32-----	(3, 117, 000)	(3, 117, 000)	(3, 117, 000)	-----	-----
Transfer from CCC-----	(2, 017, 350)	(107, 000)	(107, 000)	(-1, 910, 350)	-----
Total, Foreign Agricultural Service-----	(26, 675, 650)	(27, 161, 000)	(26, 161, 000)	(-514, 650)	(-1, 000, 000)
Commodity Exchange Authority: Salaries and expenses-----	1, 830, 000	2, 321, 000	2, 100, 000	+270, 000	-221, 000
Agricultural Stabilization and Conservation Service:					
Expenses, ASCS:					
Direct appropriation-----	141, 031, 400	128, 870, 000	147, 420, 000	+6, 388, 600	+18, 550, 000
Transfer from CCC-----	(62, 764, 100)	(62, 483, 000)	(62, 483, 000)	(-281, 100)	-----
Total, expenses, ASCS-----	(203, 795, 500)	(191, 353, 000)	(209, 903, 000)	(+6, 107, 500)	(+18, 550, 000)
Sugar Act program-----	82, 000, 000	96, 300, 000	89, 500, 000	+7, 500, 000	-6, 800, 000
Agricultural conservation program: Liquidation of contract authorization-----	(190, 000, 000)	(195, 500, 000)	(195, 500, 000)	(+5, 500, 000)	-----
Cropland adjustment program:					
Appropriation-----	84, 500, 000	79, 330, 000	78, 000, 000	-6, 500, 000	-1, 330, 000
Limitation on authorization for 1970 program-----	-----	(99, 300, 000)	-----	-----	(-99, 300, 000)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET
ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued**

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1969 (2)	Budget estimates of new (obligational) authority, fiscal year 1970 (3)	New budget (obligational) authority recom- mended in bill (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1969 (5)	Budget estimates of new (obligational) authority, fiscal year 1970 (6)
TITLE I—GENERAL ACTIVITIES—Con.					
Agricultural Stabilization and Conservation Service—Continued					
Conservation reserve program-----	\$109, 000, 000	\$37, 900, 000	\$37, 500, 000	—\$71, 500, 000	—\$400, 000
Emergency conservation measures-----	5, 000, 000	5, 000, 000	5, 000, 000	-----	-----
Indemnity payments to dairy farmers-----	300, 000	200, 000	200, 000	—100, 000	-----
Total, Agricultural Stabilization and Conservation Service-----	421, 831, 400	347, 600, 000	357, 620, 000	—64, 211, 400	+10, 020, 000
Rural Community Development Service: Salaries and expenses-----	463, 000	450, 000	450, 000	—13, 000	-----
Office of the Inspector General: Salaries and expenses-----	12, 426, 000	13, 925, 000	13, 389, 000	+963, 000	—536, 000
Packers and Stockyards Administration: Salaries and expenses-----	2, 815, 300	3, 509, 300	3, 200, 000	+384 700	—309, 300

Office of the General Counsel: Salaries and expenses-----	4,611,000	5,559,000	5,000,000	+389,000	-559,000
Office of Information: Salaries and expenses-----	1,997,000	2,164,000	2,106,000	+109,000	-58,000
National Agricultural Library: Salaries and expenses-----	3,292,750	3,226,750	3,200,000	-92,750	-26,750
Office of Management Services: Salaries and expenses-----	2,841,600	3,069,000	3,000,000	+158,400	-69,000
General Administration: Salaries and expenses-----	4,614,000	5,052,000	4,838,000	+224,000	-214,000
Subtotal, title I, general activities-----	1,700,947,650	1,691,088,050	1,685,916,000	-15,031,650	-5,172,050
Agricultural Conservation Program: Advance authorization for 1970 program (contract authorization)-----	195,500,000	-----	195,500,000	-----	+195,500,000
Total, title I, general activities-----	1,896,447,650	1,691,088,050	1,881,416,000	-15,031,650	+190,327,950
TITLE II—CREDIT AGENCIES					
Rural Electrification Administration:					
Loan authorizations:					
Electrification-----	329,000,000	320,000,000	320,000,000	-9,000,000	-----
Telephone-----	120,000,000	123,300,000	123,300,000	+3,300,000	-----
Total, loans (authorization to spend debt receipts)-----	449,000,000	443,300,000	443,300,000	-5,700,000	-----
Salaries and expenses-----	12,805,000	13,429,000	13,429,000	+624,000	-----
Total, Rural Electrification Administration-----	461,805,000	456,729,000	456,729,000	-5,076,000	-----

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET
ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued**

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1969 (2)	Budget estimates of new (obligational) authority, fiscal year 1970 (3)	New budget (obligational) authority recom- mended in bill (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1969 (5)	Budget estimates of new (obligational) authority, fiscal year 1970 (6)
TITLE II—CREDIT AGENCIES—Con.					
Farmers Home Administration:					
Direct loan account:					
Real estate loans-----	(\$83, 000, 000)	(\$69, 600, 000)	(\$83, 000, 000)	-----	(+\$13, 400, 000)
Operating loans-----	(275, 000, 000)	(250, 000, 000)	(275, 000, 000)	-----	(+25, 000, 000)
Soil conservation loans-----	(4, 900, 000)	(8, 800, 000)	(4, 900, 000)	-----	(-3, 900, 000)
Total, direct loan account-----	(362, 900, 000)	(328, 400, 000)	(362, 900, 000)	-----	(+34, 500, 000)
Rural housing direct loan account-----	(30, 000, 000)	(30, 400, 000)	(30, 000, 000)	-----	(-400, 000)
Emergency credit revolving fund-----	-----	31, 918, 000	31, 918, 000	+\$31, 918, 000	-----
Rural water and waste disposal grants--	28, 000, 000	28, 000, 000	40, 000, 000	+12, 000, 000	+12, 000, 000
Rural renewal-----	1, 600, 000	-----	-----	-1, 600, 000	-----
Rural housing for domestic farm labor--	4, 250, 000	3, 700, 000	1, 250, 000	-3, 000, 000	-2, 450, 000
Housing for rural trainees-----	-----	1, 000, 000	-----	-----	-1, 000, 000

Mutual and self-help housing				1, 250, 000	+1, 250, 000	-1, 750, 000
Self-help housing land development fund	600, 000		1, 400, 000	600, 000		-800, 000
Salaries and expenses:						
Direct appropriations	58, 230, 000		84, 885, 000	65, 000, 000	+6, 770, 000	-19, 885, 000
Transfer from agricultural credit insurance fund	(2, 250, 000)		(2, 250, 000)	(2, 250, 000)		
Miscellaneous transfer	(500, 000)		(500, 000)	(500, 000)		
Total, salaries and expenses	(60, 980, 000)		(87, 635, 000)	(67, 750, 000)	(+6, 770, 000)	(-19, 885, 000)
Total, Farmers Home Administration	92, 680, 000		153, 903, 000	140, 018, 000	+47, 338, 000	-13, 885, 000
Total, title II, credit agencies	554, 485, 000		610, 632, 000	596, 747, 000	+42, 262, 000	-13, 885, 000
TITLE III—CORPORATIONS						
Federal Crop Insurance Corporation:						
Appropriation	11, 243, 500		12, 000, 000	12, 000, 000	+756, 500	
Premium income	(2, 140, 000)		(1, 648, 000)	(1, 648, 000)	(-492, 000)	
Total, administrative and operating expenses	(13, 383, 500)		(13, 648, 000)	(13, 648, 000)	(+264, 500)	
Subscription to capital fund			10, 000, 000	10, 000, 000	+10, 000, 000	
Commodity Credit Corporation:						
Reimbursement for net realized losses:						
Appropriation	4, 188, 112, 500		5, 215, 934, 000	4, 965, 934, 000	+777, 821, 500	-250, 000, 000
Contract authority ¹	+1, 579, 078, 000				-1, 579, 078, 000	

See footnotes at end of table, p. 80.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET
ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued**

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1969 (2)	Budget estimates of new (obligational) authority, fiscal year 1970 (3)	New budget (obligational) authority recom- mended in bill (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1969 (5)	Budget estimates of new (obligational) authority, fiscal year 1970 (6)
TITLE III—CORPORATIONS—Con.					
Commodity Credit Corporation—Con.					
Liquidation of contract authority-----	—\$350, 467, 000	—\$1,560, 192, 000	—\$1,560, 192, 000	—\$1,209, 725, 000	-----
Budget authority-----	5, 416, 723, 500	3, 655, 742, 000	3, 405, 742, 000	—2, 010, 981, 500	—\$250, 000, 000
Limitation on administrative expenses-----	(31, 500, 000)	(32, 000, 000)	(31, 500, 000)	-----	(—500, 000)
Public Law 480:					
Sales, title I-----	100, 000, 000	427, 400, 000	400, 000, 000	+300, 000, 000	—27, 400, 000
Donations, title II-----	200, 000, 000	559, 200, 000	500, 000, 000	+300, 000, 000	—59, 200, 000
Total, Public Law 480-----	300, 000, 000	986, 600, 000	900, 000, 000	+600, 000, 000	—86, 600, 000
Bartered materials for supplemental stock- pile-----	-----	1, 500, 000	750, 000	+750, 000	—750, 000
Total, new budget (obligational) authority, title III, corporations-----	5, 727, 967, 000	4, 665, 842, 000	4, 328, 492, 000	—1, 399, 475, 000	—337, 350, 000

TITLE IV—RELATED AGENCIES

Farm Credit Administration: Limitation on administrative expenses-----

RECAPITULATION

Title I—General activities-----

Title II—Credit agencies-----

Title III—Corporations-----

Total, new budget (obligational) authority-----

Consisting of:

1. Appropriations-----

2. Reappropriations-----

3. Contract authorizations--

4. Authorizations to spend from debt receipts-----

Memoranda:

1. Appropriations to liquidate contract authorizations-----

2. Appropriations, including appropriations to liquidate contract authority-----

3. Transfers from sec. 32-----

4. Transfer from CCC-----

Total, new budget (obligational) authority--

(3, 436, 000)	(3, 628, 000)	(3, 628, 000)	(3, 628, 000)	(+192, 000)	-----
1, 896, 447, 650	1, 691, 088, 050	1, 881, 416, 000	-15, 031, 650	+190, 327, 950	
554, 485, 000	610, 632, 000	596, 747, 000	+42, 262, 000	-13, 885, 000	
5, 727, 967, 000	4, 665, 842, 000	4, 328, 492, 000	-1, 399, 475, 000	-337, 350, 000	
8, 178, 899, 650	6, 967, 562, 050	6, 806, 655, 000	-1, 372, 244, 650	-160, 907, 050	
5, 953, 321, 650	6, 524, 262, 050	6, 167, 855, 000	+214, 533, 350	-356, 407, 050	
2, 000, 000	-----	-----	-2, 000, 000	-----	
1, 774, 578, 000	-----	195, 500, 000	-1, 579, 078, 000	+195, 500, 000	
449, 000, 000	443, 300, 000	443, 300, 000	-5, 700, 000	-----	
540, 467, 000	1, 755, 692, 000	1, 755, 692, 000	+1, 215, 225, 000	-----	
6, 493, 788, 650	8, 279, 954, 050	7, 923, 547, 000	+1, 429, 758, 350	-356, 407, 050	
186, 442, 000	212, 383, 000	212, 383, 000	+25, 941, 000	-----	
64, 781, 450	62, 590, 000	62, 590, 000	-2, 191, 450	-----	
8, 178, 899, 650	6, 967, 562, 050	6, 806, 655, 000	-1, 372, 244, 650	-160, 907, 050	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued

[Note—All amounts are in the form of “appropriations” unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1969 (2)	Budget estimates of new (obligational) authority, fiscal year 1970 (3)	New budget (obligational) authority recom- mended in bill (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1969 (5)	Budget estimates of new (obligational) authority, fiscal year 1970 (6)
RECAPITULATION—Continued					
Less:					
Loan repayments, Rural Electrifica- tion Administration ² -----	—\$189, 500, 000	—\$189, 300, 000	—\$189, 300, 000	+\$200, 000	-----
Net total, new budget (obligational) au- thority-----	7, 989, 399, 650	6, 778, 262, 050	6, 617, 355, 000	—1, 372, 044, 650	—\$160, 907, 050

¹ Contract authorization established under basic law.

² Deducting REA loan repayments from these totals has the effect of converting these figures to a basis comparable with the treatment of all other major loan programs in the Federal budget. Other loan programs operated through revolving funds net loan repayments against budget outlays, whereas REA loan repayments are covered into miscellaneous receipts of the Treasury.

Union Calendar No. 93

91ST CONGRESS
1ST SESSION

H. R. 11612

[Report No. 91-265]

IN THE HOUSE OF REPRESENTATIVES

MAY 23, 1969

Mr. WHITTEN, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed.

A BILL

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture and related agencies for the fiscal
6 year ending June 30, 1970, and for other purposes; namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—GENERAL ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, marketing, nutrition and
7 consumer use, to control and eradicate pests and plant and
8 animal diseases, and to perform related inspection, quaran-
9 tine and regulatory work: *Provided*, That appropriations
10 hereunder shall be available for field employment pursuant
11 to the second sentence of section 706 (a) of the Organic Act
12 of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall
13 be available for employment under 5 U.S.C 3109: *Provided*
14 *further*, That appropriations hereunder shall be available for
15 the operation and maintenance of aircraft and the purchase
16 of not to exceed two for replacement only: *Provided*
17 *further*, That appropriations hereunder shall be available
18 pursuant to 7 U.S.C. 2250, for the construction, alteration,
19 and repair of buildings and improvements, but unless other-
20 wise provided, the cost of constructing any one building
21 (except headhouses connecting greenhouses) shall not ex-
22 ceed \$25,000, except for six buildings to be constructed
23 or improved at a cost not to exceed \$55,000 each, and the
24 cost of altering any one building during the fiscal year shall
25 not exceed \$7,500 or 7.5 per centum of the cost of the build-

ing, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for facilities at Beltsville, Maryland:

Research: For research and demonstrations on the production and utilization of agricultural products; agricultural marketing and distribution, not otherwise provided for; home economics or nutrition and consumer use of agricultural and associated products; and related research and services; and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100; \$130,182,000, and in addition not to exceed \$15,000,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 shall be transferred to and merged with this appropriation, of which \$710,000 shall remain available until expended for plans, construction, and improvement of facilities without regard to limitations contained herein: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That none of the funds appropriated in this Act shall be used to formulate a budget estimate for fiscal 1971 of more than \$15,000,000 for research to be financed by transfer from funds available under section 32 of the Act of August 24, 1935, and pursuant to Public Law 88-250;

1 Plant and animal disease and pest control: For opera-
2 tions and measures, not otherwise provided for, to control
3 and eradicate pests and plant and animal diseases and for
4 carrying out assigned inspection, quarantine, and regulatory
5 activities, as authorized by law, including expenses pursuant
6 to the Act of February 28, 1947, as amended (21 U.S.C.
7 114b-c), \$89,493,000, of which \$1,500,000 shall be ap-
8 portioned for use pursuant to section 3679 of the Revised
9 Statutes, as amended, for the control of outbreaks of insects,
10 plant diseases and animal diseases to the extent necessary
11 to meet emergency conditions: *Provided*, That no funds shall
12 be used to formulate or administer a brucellosis eradication
13 program for the current fiscal year that does not require mini-
14 mum matching by any State of at least 40 per centum: *Pro-*
15 *vided further*, That not to exceed \$1,000,000 shall remain
16 available until expended for construction of facilities without
17 regard to limitations contained herein: *Provided further*,
18 That, in addition, in emergencies which threaten the live-
19 stock or poultry industries of the country, the Secretary may
20 transfer from other appropriations or funds available to the
21 agencies or corporations of the Department such sums as he
22 may deem necessary, to be available only in such emergencies
23 for the arrest and eradication of foot-and-mouth disease, rin-
24 derpest, contagious pleuropneumonia, or other contagious
25 or infectious diseases of animals, or European fowl pest and

1 similar diseases in poultry, and for expenses in accordance
2 with the Act of February 28, 1947, as amended, and any
3 unexpended balances of funds transferred under this head in
4 the next preceding fiscal year shall be merged with such
5 transferred amounts;

6 Special fund: To provide for additional labor, sub-
7 professional and junior scientific help to be employed under
8 contracts and cooperative agreements to strengthen the work
9 at research installations in the field, not more than \$2,000,-
10 000 of the amount appropriated under this head for the
11 previous fiscal year may be used by the Administrator of
12 the Agricultural Research Service in departmental research
13 programs in the current fiscal year, the amount so used to be
14 transferred to and merged with the appropriation otherwise
15 available under "Salaries and expenses, Research".

16 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
17 PROGRAM)

18 For payments, in foreign currencies owed to or owned
19 by the United States for market development research
20 authorized by section 104 (b) (1) and for agricultural and
21 forestry research and other functions related thereto author-
22 ized by section 104 (b) (3) of the Agricultural Trade
23 Development and Assistance Act of 1954, as amended (7
24 U.S.C. 1704 (b) (1), (3)), \$4,500,000, to remain avail-
25 able until expended: *Provided*, That this appropriation shall

1 be available, in addition to other appropriations for these
2 purposes, for payments in the foregoing currencies: *Provided*
3 *further*, That funds appropriated herein shall be used for
4 payments in such foreign currencies as the Department
5 determines are needed and can be used most effectively to
6 carry out the purposes of this paragraph: *Provided further*,
7 That not to exceed \$25,000 of this appropriation shall
8 be available for payments in foreign currencies for expenses
9 of employment pursuant to the second sentence of section
10 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), as
11 amended by 5 U.S.C. 3109.

12 COOPERATIVE STATE RESEARCH SERVICE

13 PAYMENTS AND EXPENSES

14 For payments to agricultural experiment stations, for
15 grants for cooperative forestry and other research, for facili-
16 ties, and for other expenses, including \$53,854,000 to carry
17 into effect the provisions of the Hatch Act, approved
18 March 2, 1887, as amended by the Act approved August 11,
19 1955 (7 U.S.C. 361a-361i), including administration by
20 the United States Department of Agriculture; \$3,785,000 for
21 grants for cooperative forestry research under the Act
22 approved October 10, 1962 (16 U.S.C. 582a-582a-7),
23 of which amount, the sum of \$201,642.80 shall be paid to
24 those States for the benefit of the counties from which timber
25 receipts earned as a result of agreements entered into under

1 the authority of the Weeks Act (16 U.S.C. 500) have been
2 withheld; \$2,000,000 in addition to funds otherwise available
3 for contracts and grants for scientific research under the Act
4 of August 4, 1965 (7 U.S.C. 450i) of which \$1,000,000
5 shall be for the special cotton research program and \$400,000
6 for soybean research; \$1,000,000 for grants for facilities
7 under the Act approved July 22, 1963 (7 U.S.C. 390-
8 390k) ; \$160,000 for penalty mail costs of agricultural experi-
9 ment stations under section 6 of the Hatch Act of 1887, as
10 amended; and \$376,000 for necessary expenses of the Coop-
11 erative State Research Service, including administration of
12 payments to State agricultural experiment stations, funds for
13 employment pursuant to the second sentence of section 706
14 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not
15 to exceed \$50,000 for employment under 5 U.S.C. 3109;
16 in all, \$61,175,000.

17 EXTENSION SERVICE

18 COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

19 Payments to States and Puerto Rico: For payments
20 for cooperative agricultural extension work under the Smith-
21 Lever Act, as amended by the Act of June 26, 1953, the
22 Act of August 11, 1955, and the Act of October 5, 1962
23 (7 U.S.C. 341-349), to be distributed under sections 3 (b)
24 and 3 (c) of the Act, \$82,006,000; payments for the nu-
25 trition education program for low-income areas under sec-

tion 3 (d) of the Act, \$28,560,000; payments and contracts for such work under section 204 (b) -205 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,450,000; and payments for extension work under section 109 of the District of Columbia Public Education Act, as amended by the Act of June 20, 1968 (7 U.S.C. 329), \$375,000; in all, \$112,391,000: *Provided*, That funds hereby appropriated pursuant to section 3 (c) of the Act of June 26, 1953, shall not be paid to any State or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Retirement and employees' compensation costs for extension agents: For cost of employer's share of Federal retirement and for reimbursement for benefits paid from the Employees' Compensation Fund for cooperative extension employees, \$10,000,000.

Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, \$3,400,000.

Federal Extension Service: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, and the Act of October 5, 1962 (7 U.S.C. 341-349), and extension aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and of the District of Columbia Public Education Act, as amended by the Act of June 20, 1968 (7 U.S.C. 329),

1 and to coordinate and provide program leadership for the
2 extension work of the Department and the several States
3 and insular possessions, \$3,338,000.

4 FARMER COOPERATIVE SERVICE

5 SALARIES AND EXPENSES

6 For necessary expenses to carry out the Act of July 2,
7 1926 (7 U.S.C. 451-457), and for conducting research
8 relating to the economic and marketing aspects of farmer co-
9 operatives, as authorized by the Agricultural Marketing Act
10 of 1946 (7 U.S.C. 1621-1627), \$1,500,000.

11 SOIL CONSERVATION SERVICE

12 CONSERVATION OPERATIONS

13 For necessary expenses for carrying out the provisions
14 of the Act of April 27, 1935 (16 U.S.C. 590a-590f),
15 including preparation of conservation plans and establish-
16 ment of measures to conserve soil and water (including
17 farm irrigation and land drainage and such special measures
18 as may be necessary to prevent floods and the siltation of
19 reservoirs) ; operation of conservation nurseries; classifica-
20 tion and mapping of soil; dissemination of information;
21 purchase and erection or alteration of permanent buildings;
22 and operation and maintenance of aircraft, \$118,786,000:
23 *Provided*, That the cost of any permanent building pur-
24 chased, erected, or as improved, exclusive of the cost of

1 constructing a water supply or sanitary system and con-
2 necting the same to any such building and with the
3 exception of buildings acquired in conjunction with land
4 being purchased for other purposes, shall not exceed \$2,500,
5 except for one building to be constructed at a cost not to
6 exceed \$25,000 and eight buildings to be constructed or
7 improved at a cost not to exceed \$15,000 per building
8 and except that alterations or improvements to other exist-
9 ing permanent buildings costing \$2,500 or more may be
10 made in any fiscal year in an amount not to exceed \$500
11 per building: *Provided further*, That no part of this appro-
12 priation shall be available for the construction of any such
13 building on land not owned by the Government: *Provided*
14 *further*, That no part of this appropriation may be expended
15 for soil and water conservation operations under the Act
16 of April 27, 1935 (16 U.S.C. 590a–590f) in demonstration
17 projects: *Provided further*, That this appropriation shall be
18 available for field employment pursuant to the second sen-
19 tence of section 706 (a) of the Organic Act of 1944 (7
20 U.S.C. 2225), and not to exceed \$5,000 shall be available
21 for employment under 5 U.S.C. 3109: *Provided further*,
22 That qualified local engineers may be temporarily employed
23 at per diem rates to perform the technical planning work
24 of the service.

RIVER BASIN SURVEYS AND INVESTIGATIONS

For necessary expenses to conduct research, investigations and surveys of the watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1006), to remain available until expended; \$8,187,000, with which shall be merged the unexpended balances of funds heretofore appropriated to the Department for river basin survey purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$60,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED PLANNING

For necessary expenses for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1008), to remain available until expended, \$6,209,000, with which shall be merged the unexpended balances of funds heretofore appropriated under this head: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to

1 exceed \$50,000 shall be available for employment under
2 5 U.S.C. 3109.

3 WATERSHED WORKS OF IMPROVEMENT

4 For necessary expenses to carry out preventive meas-
5 ures, including, but not limited to research, engineering oper-
6 ations, methods of cultivation, the growing of vegetation, and
7 changes in use of land, in accordance with the Watershed
8 Protection and Flood Prevention Act, approved August 4,
9 1954, as amended (16 U.S.C. 1001-1005, 1007-1008), and
10 the provisions of the Act of April 27, 1935 (16 U.S.C.
11 590 a-f), to remain available until expended; \$57,873,000,
12 with which shall be merged the unexpended balances of
13 funds heretofore appropriated or transferred to the Depart-
14 ment for watershed protection purposes: *Provided*, That this
15 appropriation shall be available for field employment pursu-
16 ant to the second sentence of section 706 (a) of the Organic
17 Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000
18 shall be available for employment under 5 U.S.C. 3109:
19 *Provided further*, That \$3,000,000 of the funds in the direct
20 loan account of the Farmers Home Administration shall be
21 available until expended for loans.

22 FLOOD PREVENTION

23 For necessary expenses, in accordance with the Flood
24 Control Act, approved June 22, 1936 (33 U.S.C. 701-709,
25 16 U.S.C. 1006a), as amended and supplemented, and in

1 accordance with the provisions of laws relating to the
2 activities of the Department, to perform works of improve-
3 ment, including funds for field employment pursuant to the
4 second sentence of section 706 (a) of the Organic Act of
5 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for
6 employment under 5 U.S.C. 3109, to remain available until
7 expended; \$20,223,000, with which shall be merged the
8 unexpended balances of funds heretofore appropriated or
9 transferred to the Department for flood prevention pur-
10 poses: *Provided*, That \$400,000 of funds in the direct loan
11 account of the Farmers Home Administration shall be avail-
12 able until expended for loans.

13 GREAT PLAINS CONSERVATION PROGRAM

14 For necessary expenses to carry into effect a program
15 of conservation in the Great Plains area, pursuant to sec-
16 tion 16 (b) of the Soil Conservation and Domestic Allot-
17 ment Act, as added by the Act of August 7, 1956 (16
18 U.S.C. 590p). \$15,000,000, to remain available until
19 expended.

20 RESOURCE CONSERVATION AND DEVELOPMENT

21 For necessary expenses in planning and carrying out
22 projects for resource conservation and development, and
23 for sound land use, pursuant to the provisions of section
24 32 (e) of title III of the Bankhead-Jones Farm Tenant Act,

1 as amended (7 U.S.C. 1011; 76 Stat. 607), and the pro-
2 visions of the Act of April 27, 1935 (16 U.S.C. 590a-f),
3 \$7,452,000, to remain available until expended: *Provided*,
4 That the unobligated balance of funds heretofore appropri-
5 ated under the head "Rural renewal" shall be transferred
6 to and merged with this appropriation: *Provided further*,
7 That \$1,500,000 of the funds available in the direct loan
8 account of the Farmers Home Administration shall be avail-
9 able for loans under subtitle A of the Consolidated Farmers
10 Home Administration Act of 1961, as amended, to remain
11 available until expended: *Provided further*, That this appro-
12 priation shall be available for field employment pursuant
13 to the second sentence of section 706 (a) of the Organic Act
14 of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall
15 be available for employment under 5 U.S.C. 3109.

16 ECONOMIC RESEARCH SERVICE

17 SALARIES AND EXPENSES

18 For necessary expenses of the Economic Research Serv-
19 ice in conducting economic research and service relating to
20 agricultural production, marketing, and distribution, as au-
21 thorized by the Agricultural Marketing Act of 1946 (7
22 U.S.C. 1621-1627), and other laws, including economics of
23 marketing; analyses relating to farm prices, income and

1 population, and demand for farm products, use of resources in
2 agriculture, adjustments, costs and returns in farming, and
3 farm finance; and for analyses of supply and demand for farm
4 products in foreign countries and their effect on prospects for
5 United States exports, progress in economic development
6 and its relation to sales of farm products, assembly and anal-
7 ysis of agricultural trade statistics and analysis of interna-
8 tional financial and monetary programs and policies as they
9 affect the competitive position of United States farm prod-
10 ucts; \$13,450,000: *Provided*, That not less than
11 \$350,000 of the funds contained in this appropriation
12 shall be available to continue to gather statistics and conduct
13 a special study on the price spread between the farmer and
14 consumer: *Provided further*, That this appropriation shall be
15 available for employment pursuant to the second sentence of
16 section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
17 and not to exceed \$75,000 shall be available for employment
18 under 5 U.S.C. 3109: *Provided further*, That not less than
19 \$145,000 of the funds contained in this appropriation shall
20 be available for analysis of statistics and related facts on for-
21 eign production and full and complete information on meth-
22 ods used by other countries to move farm commodities in
23 world trade on a competitive basis.

1 STATISTICAL REPORTING SERVICE

2 SALARIES AND EXPENSES

3 For necessary expenses of the Statistical Reporting
4 Service in conducting statistical reporting and service work,
5 including crop and livestock estimates, statistical coordination
6 and improvements, and marketing surveys, as authorized by
7 the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-
8 1627) and other laws, \$14,950,000: *Provided*, That no
9 part of the funds herein appropriated shall be available
10 for any expense incident to publishing estimates of apple
11 production for other than the commercial crop: *Provided*
12 *further*, That this appropriation shall be available for em-
13 ployment pursuant to the second sentence of section 706
14 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not
15 to exceed \$40,000 shall be available for employment under
16 5 U.S.C. 3109.

17 CONSUMER AND MARKETING SERVICE

18 CONSUMER PROTECTIVE, MARKETING, AND REGULATORY
19 PROGRAMS

20 For expenses necessary to carry on services related to
21 consumer protection, agricultural marketing and distribution,
22 and regulatory programs, other than Packers and Stock-
23 yards Act, as authorized by law, and for administration and
24 coordination of payments to States; including field employ-
25 ment pursuant to section 706(a) of the Organic Act of

1 1944 (7 U.S.C. 2225), and not to exceed \$25,000 for
 2 employment under 5 U.S.C. 3109, in carrying out section
 3 201 (a) to 201 (d), inclusive, of title II of the Agricultural
 4 Adjustment Act of 1938 (7 U.S.C. 1291) and section 203
 5 (j) of the Agricultural Marketing Act of 1946;
 6 \$130,867,000: *Provided*, That this appropriation shall be
 7 available pursuant to law (7 U.S.C. 2250) for the alteration
 8 and repair of buildings and improvements, but, unless other-
 9 wise provided, the cost of altering any one building during
 10 the fiscal year shall not exceed \$7,500 or 7.5 per centum of
 11 the cost of the building, whichever is greater.

12 PAYMENTS TO STATES AND POSSESSIONS

13 For payments to departments of agriculture, bureaus
 14 and departments of markets, and similar agencies for market-
 15 ing activities under section 204 (b) of the Agricultural
 16 Marketing Act of 1946 (7 U.S.C. 1623 (b)), \$1,600,000.

17 CHILD NUTRITION PROGRAMS

18 For necessary expenses to carry out the provisions of
 19 the National School Lunch Act, as amended (42 U.S.C.
 20 1751-1761) and the applicable provisions other than section
 21 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C.
 22 1773-1785), \$247,441,000, of which \$129,941,000 shall
 23 be derived by transfer from funds available under section
 24 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Pro-*

1 *vided*, That of the foregoing total amount there shall be
 2 available \$44,800,000 for special assistance to needy schools,
 3 \$10,000,000 for the school breakfast program, \$10,000,000
 4 for the nonfood assistance program, \$750,000 for State
 5 administrative expenses, and \$10,000,000 for special food
 6 service programs for children to remain available until Sep-
 7 tember 30 of the next succeeding fiscal year: *Provided fur-*
 8 *ther*, That no part of this appropriation shall be used for non-
 9 food assistance under section 5 of the National School Lunch
 10 Act, as amended: *Provided further*, That an additional
 11 \$64,325,000 shall be transferred to this appropriation from
 12 funds available under section 32 of the Act of August 24,
 13 1935 (7 U.S.C. 612c), for purchase and distribution of agri-
 14 cultural commodities and other foods pursuant to section 6
 15 of the National School Lunch Act, as amended.

16 FOOD STAMP PROGRAM

17 For necessary expenses of the food stamp program
 18 pursuant to the Food Stamp Act of 1964, as amended,
 19 \$340,000,000.

20 REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES

21 (SECTION 32)

22 Funds available under section 32 of the Act of August
 23 24, 1935 (7 U.S.C. 612c) shall be used only for commod-
 24 ity program expenses as authorized therein, and other related
 25 operating expenses, except for (1) transfers to the Depart-

1 ment of the Interior as authorized by the Fish and Wildlife
2 Act of August 8, 1956; (2) transfers otherwise provided
3 in this Act; (3) not more than \$2,900,000 for formulation
4 and administration of marketing agreements and orders pur-
5 suant to the Agricultural Marketing Agreement Act of 1937,
6 as amended, and the Agricultural Act of 1961; and (4) in
7 addition to other amounts provided in this Act, not more
8 than \$100,000,000 (including not to exceed \$2,000,000 for
9 State administrative expenses) for (a) child feeding pro-
10 grams and nutritional programs authorized by law in the
11 School Lunch Act and the Child Nutrition Act, as amended;
12 (b) additional direct distribution or other programs, with-
13 out regard to whether such area is under the food stamp
14 program or a system of direct distribution, to provide, in the
15 immediate vicinity of their place of permanent residence,
16 either directly or through a State or local welfare agency,
17 an adequate diet to other needy children and low-income
18 persons determined by the Secretary of Agriculture to be
19 suffering, through no fault of their own, from general and
20 continued hunger resulting from insufficient food: *Provided,*
21 That in making such determinations, the Secretary shall take
22 into consideration the age; income; location and income
23 of parents, if a minor; and employability; and (c) milk
24 for needy children in schools and other nonprofit institutions
25 heretofore receiving milk under the special milk program.

1 FOREIGN AGRICULTURAL SERVICE

2 SALARIES AND EXPENSES

3 For necessary expenses for the Foreign Agricultural
4 Service, including carrying out title VI of the Agricultural
5 Act of 1954 (7 U.S.C. 1761-1768), market development
6 activities abroad, and for enabling the Secretary to coordi-
7 nate and integrate activities of the Department in connection
8 with foreign agricultural work, including not to exceed
9 \$35,000 for representation allowances and for expenses pur-
10 suant to section 8 of the Act approved August 3, 1956 (7
11 U.S.C. 1766), \$22,937,000: *Provided*, That not less than
12 \$255,000 of the funds contained in this appropriation shall
13 be available to obtain statistics and related facts on foreign
14 production and full and complete information on methods
15 used by other countries to move farm commodities in world
16 trade on a competitive basis: *Provided further*, That, in
17 addition, not to exceed \$3,117,000 of the funds appropriated
18 by section 32 of the Act of August 24, 1935, as amended
19 (7 U.S.C. 612c), shall be merged with this appropriation
20 and shall be available for all expenses of the Foreign
21 Agricultural Service.

COMMODITY EXCHANGE AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1-17a), \$2,100,000.

AGRICULTURAL STABILIZATION AND CONSERVATION

SERVICE

EXPENSES, AGRICULTURAL STABILIZATION AND

CONSERVATION SERVICE

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar Act of 1948, as amended (7 U.S.C. 1101-1161); sections 7 to 15, 16 (a), 16 (d), 16 (e), 16 (f), 16 (i), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590q); subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816); and laws pertaining to the Commodity Credit Corporation, \$147,420,000: *Provided*, That, in addition, not to exceed \$62,483,000

1 may be transferred to and merged with this appropriation
2 from the Commodity Credit Corporation fund (including
3 not to exceed \$26,757,000 under the limitation on Com-
4 modity Credit Corporation administrative expenses) : *Pro-*
5 *vided further*, That other funds made available to the Agricul-
6 tural Stabilization and Conservation Service for authorized
7 activities may be advanced to and merged with this appro-
8 priation: *Provided further*, That no part of the funds appro-
9 priated or made available under this Act shall be used (1)
10 to influence the vote in any referendum; (2) to influence
11 agricultural legislation, except as permitted in 18 U.S.C.
12 1913; or (3) for salaries or other expenses of members of
13 county and community committees established pursuant to
14 section 8 (b) of the Soil Conservation and Domestic Allot-
15 ment Act, as amended, for engaging in any activities other
16 than advisory and supervisory duties and delegated program
17 functions prescribed in administrative regulations.

18

SUGAR ACT PROGRAM

19

20 For necessary expenses to carry into effect the pro-
visions of the Sugar Act of 1948 (7 U.S.C. 1101-1161),
21 \$89,500,000, to remain available until June 30 of the next
22 succeeding fiscal year.

23

AGRICULTURAL CONSERVATION PROGRAM

24

25 For necessary expenses to carry into effect the program
authorized in sections 7 to 15, 16 (a), and 17 of the Soil

1 Conservation and Domestic Allotment Act, approved Febru-
2 ary 29, 1936, as amended (16 U.S.C. 590g-590o, 590p (a),
3 and 590q), including not to exceed \$15,000 for the prepara-
4 tion and display of exhibits, including such displays at State,
5 interstate, and international fairs within the United States,
6 \$195,500,000, to remain available until December 31 of the
7 next succeeding fiscal year for compliance with the programs
8 of soil-building and soil- and water-conserving practices au-
9 thorized under this head in the Department of Agriculture
10 and Related Agencies Appropriation Acts, 1968 and 1969,
11 carried out during the period July 1, 1967, to December
12 31, 1969, inclusive: *Provided*, That none of the funds
13 herein appropriated shall be used to pay the salaries or
14 expenses of any regional information employees or any
15 State information employees, but this shall not preclude the
16 answering of inquiries or supplying of information at the
17 county level to individual farmers: *Provided further*, That
18 no portion of the funds for the current year's program may
19 be utilized to provide financial or technical assistance for
20 drainage on wetlands now designated as Wetland Types 3
21 (III), 4 (IV), and 5 (V) in United States Department of
22 the Interior, Fish and Wildlife Circular 39, Wetlands of
23 the United States, 1956: *Provided further*, That necessary
24 amounts shall be available for administrative expenses in
25 connection with the formulation and administration of the

1 1970 program of soil-building and soil- and water-conserving
2 practices, including related wildlife conserving practices and
3 pollution abatement practices, under the Act of February 29,
4 1936, as amended (amounting to \$195,500,000, excluding
5 administration, except that no participant shall receive more
6 than \$2,500, except where the participants from two or more
7 farms or ranches join to carry out approved practices designed
8 to conserve or improve the agricultural resources of the com-
9 munity) : *Provided further*, That not to exceed 5 per centum
10 of the allocation for the current year's agricultural conserva-
11 tion program for any county may, on the recommendation
12 of such county committee and approval of the State com-
13 mittee, be withheld and allotted to the Soil Conservation
14 Service for services of its technicians in formulating and
15 carrying out the agricultural conservation program in the
16 participating counties, and shall not be utilized by the Soil
17 Conservation Service for any purpose other than technical
18 and other assistance in such counties, and in addition, on the
19 recommendation of such county committee and approval
20 of the State committee, not to exceed 1 per centum may be
21 made available to any other Federal, State, or local public
22 agency for the same purpose and under the same conditions:
23 *Provided further*, That for the current year's program \$2,-
24 500,000 shall be available for technical assistance in formu-
25 lating and carrying out agricultural conservation practices:

1 *Provided further*, That such amounts shall be available for
2 the purchase of seeds, fertilizers, lime, trees, or any other
3 farming material, or any soil-terracing services, and making
4 grants thereof to agricultural producers to aid them in carry-
5 ing out farming practices approved by the Secretary under
6 programs provided for herein: *Provided further*, That no
7 part of any funds available to the Department, or any bureau,
8 office, corporation, or other agency constituting a part of
9 such Department, shall be used in the current fiscal year
10 for the payment of salary or travel expenses of any person
11 who has been convicted of violating the Act entitled "An
12 Act to prevent pernicious political activities", approved
13 August 2, 1939, as amended, or who has been found in
14 accordance with the provisions of title 18, United States
15 Code, section 1913, to have violated or attempted to violate
16 such section which prohibits the use of Federal appropria-
17 tions for the payment of personal services or other expenses
18 designed to influence in any manner a Member of Congress
19 to favor or oppose any legislation or appropriation by Con-
20 gress except upon request of any Member or through the
21 proper official channels.

22 CROPLAND ADJUSTMENT PROGRAM

23 For necessary expenses to carry into effect a cropland
24 adjustment program as authorized by the Food and Agri-

1 culture Act of 1965 (7 U.S.C. 1838), \$78,000,000: *Pro-*
2 *vided*, That no additional agreements are authorized for fiscal
3 year 1970.

4 CONSERVATION RESERVE PROGRAM

5 For necessary expenses to carry out a conservation
6 reserve program as authorized by subtitles B and C of the
7 Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and
8 1816), and to carry out liquidation activities for the acreage
9 reserve program, to remain available until expended,
10 \$37,500,000, with which may be merged the unexpended
11 balances of funds heretofore appropriated for soil bank pro-
12 grams: *Provided*, That no part of these funds shall be paid
13 on any contract which is illegal under the law due to the
14 division of lands for the purpose of evading limits on annual
15 payments to participants.

16 EMERGENCY CONSERVATION MEASURES

17 For emergency conservation measures, to be used for the
18 same purposes and subject to the same conditions as funds
19 appropriated under this head in the Third Supplemental
20 Appropriation Act, 1957, to remain available until expended,
21 \$5,000,000, with which shall be merged the unexpended
22 balances of funds heretofore appropriated for emergency
23 conservation measures.

INDEMNITY PAYMENTS TO DAIRY FARMERS

For necessary expenses to carry out the provisions of the Act of August 13, 1968 (Public Law 90-484), \$200,000: *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government.

RURAL COMMUNITY DEVELOPMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Rural Community Development Service in providing leadership and related services in carrying out the rural areas development activities of the Department, \$450,000: *Provided*, That not to exceed \$3,000 shall be available for employment under 5 U.S.C. 3109.

OFFICE OF THE INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$10,000 for employment under 5 U.S.C. 3109, \$13,389,000.

1 PACKERS AND STOCKYARDS ADMINISTRATION

2 SALARIES AND EXPENSES

3 For expenses necessary for administration of the Pack-
4 ers and Stockyards Act, as authorized by law, including field
5 employment pursuant to section 706 (a) of the Organic Act
6 of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for em-
7 ployment under 5 U.S.C. 3109, \$3,200,000.

8 OFFICE OF THE GENERAL COUNSEL

9 SALARIES AND EXPENSES

10 For necessary expenses, including payment of fees or
11 dues for the use of law libraries by attorneys in the field
12 service, \$5,000,000.

13 OFFICE OF INFORMATION

14 SALARIES AND EXPENSES

15 For necessary expenses of the Office of Information for
16 the dissemination of agricultural information and the coordi-
17 nation of informational work and programs authorized by
18 Congress in the Department, \$2,106,000, of which total
19 appropriation not to exceed \$612,000 may be used for
20 farmers' bulletins, which shall be adapted to the interests
21 of the people of the different sections of the country, an
22 equal proportion of four-fifths of which shall be available
23 to be delivered to or sent out under the addressed franks
24 furnished by the Senators, Representatives, and Delegates
25 in Congress, as they shall direct (7 U.S.C. 417), and not

1 less than two hundred and thirty-two thousand two hundred
2 and fifty copies for the use of the Senate and House of Rep-
3 resentatives of part 2 of the annual report of the Secretary
4 (known as the Yearbook of Agriculture) as authorized by
5 section 73 of the Act of January 12, 1895 (44 U.S.C. 241) :
6 *Provided*, That in the preparation of motion pictures or
7 exhibits by the Department, this appropriation shall be
8 available for employment pursuant to the second sentence
9 of section 706 (a) of the Organic Act of 1944 (7 U.S.C.
10 2225), and not to exceed \$10,000 shall be available for
11 employment under 5 U.S.C. 3109.

12 NATIONAL AGRICULTURAL LIBRARY

13 SALARIES AND EXPENSES

14 For necessary expenses of the National Agricultural
15 Library, \$3,200,000: *Provided*, That this appropriation
16 shall be available for employment pursuant to the second
17 sentence of section 706 (a) of the Organic Act of 1944 (7
18 U.S.C. 2225), and not to exceed \$35,000 shall be available
19 for employment under 5 U.S.C. 3109.

20 OFFICE OF MANAGEMENT SERVICES

21 SALARIES AND EXPENSES

22 For necessary expenses to enable the Office of Manage-
23 ment Services to provide management support services to
24 selected agencies and offices of the Department of Agricul-
25 ture, \$3,000,000.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed \$5,000 for employment under 5 U.S.C. 3109, \$4,838,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That not to exceed \$250,000 of funds contained in the Working Capital Fund established under authority of Public Law 78-129 may be used to carry out responsibilities under the Civil Rights Act of 1964.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

LOAN AUTHORIZATIONS

For loans in accordance with said Act, and for carrying

1 out the provisions of section 7 thereof, to be borrowed from
2 the Secretary of the Treasury in accordance with the provi-
3 sions of section 3 (a) of said Act, and to remain available
4 without fiscal year limitation in accordance with section
5 3 (e) of said Act, as follows: rural electrification program,
6 \$320,000,000, and rural telephone program, \$123,300,000.

7 SALARIES AND EXPENSES

8 For administrative expenses, including not to exceed
9 \$500 for financial and credit reports, funds for employment
10 pursuant to the second sentence of section 706 (a) of the
11 Organic Act of 1944 (7 U.S.C. 2225), and not to exceed
12 \$150,000 for employment under 5 U.S.C. 3109, \$13,-
13 429,000.

14 FARMERS HOME ADMINISTRATION

15 DIRECT LOAN ACCOUNT

16 Direct loans and advances under subtitles A and B, and
17 advances under section 335 (a) for which funds are not
18 otherwise available, of the Consolidated Farmers Home Ad-
19 ministration Act of 1961 (7 U.S.C. 1921), as amended,
20 may be made from funds available in the Farmers Home
21 Administration direct loan account as follows: real estate
22 loans, \$83,000,000, and operating loans, \$275,000,000.

23 RURAL HOUSING DIRECT LOAN ACCOUNT

24 For direct loans and related advances pursuant to section
25 518 (d) of the Housing Act of 1949 (42 U.S.C. 1488),
26 \$30,000,000 shall be available from funds in the rural hous-

1 ing direct loan account. Hereafter, farmer applicants for
2 direct or insured rural housing loans shall be required to pro-
3 vide only such collateral security as is required of owners
4 of nonfarm tracts.

5 EMERGENCY CREDIT REVOLVING FUND

6 (DISASTER LOANS)

7 For an additional amount for the Emergency Credit
8 Revolving Fund, as authorized by the Act of August 8, 1961
9 (7 U.S.C. 1967), \$31,918,000.

10 RURAL WATER AND WASTE DISPOSAL GRANTS

11 For grants pursuant to sections 306 (a) (2) and 306
12 (a) (6) of the Consolidated Farmers Home Administration
13 Act of 1961, as amended (7 U.S.C. 1926), \$40,000,000.

14 RURAL HOUSING FOR DOMESTIC FARM LABOR

15 For financial assistance to public nonprofit organiza-
16 tions for housing for domestic farm labor, pursuant to section
17 516 of the Housing Act of 1949, as amended (42 U.S.C.
18 1486), \$1,250,000, to remain available until expended.

19 MUTUAL AND SELF-HELP HOUSING

20 For grants pursuant to section 523 (b) (1) (A) of the
21 Housing Act of 1949 (42 U.S.C. 1490c), \$1,250,000, to
22 remain available until expended.

23 SELF-HELP HOUSING LAND DEVELOPMENT FUND

24 For direct loans pursuant to section 523 (b) (1) (B) of
25 the Housing Act of 1949 (42 U.S.C. 1490c) and related
26 advances, \$600,000, to remain available until expended.

SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921-1991), as amended, title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1490c), the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444), and for carrying out the responsibilities of the Secretary of Agriculture under sections 235 and 236 of the National Housing Act, as amended (12 U.S.C. 1715z-1715z-1), and section 701 of the Housing Act of 1954, as amended (40 U.S.C. 461), \$65,000,000, together with not more than \$2,250,000 of the charges collected in connection with the insurance of loans as authorized by section 309 (e) of the Consolidated Farmers Home Administration Act of 1961, as amended, and section 514 (b) (3) of the Housing Act of 1949, as amended: *Provided*, That, in addition, not to exceed \$500,000 of the funds available for the various programs administered by this agency may be transferred to this appropriation for temporary field employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225) to meet unusual or heavy work loan increases: *Provided further*, That no part of any funds in this

1 paragraph may be used to administer a program which
2 makes rural housing grants pursuant to section 504 of the
3 Housing Act of 1949, as amended.

4 TITLE III—CORPORATIONS

5 The following corporations and agencies are hereby
6 authorized to make such expenditures, within the limits of
7 funds and borrowing authority available to each such cor-
8 poration or agency and in accord with law, and to make
9 such contracts and commitments without regard to fiscal
10 year limitations as provided by section 104 of the Govern-
11 ment Corporation Control Act, as amended, as may be
12 necessary in carrying out the programs set forth in the
13 budget for the current fiscal year for such corporation or
14 agency, except as hereinafter provided:

15 FEDERAL CROP INSURANCE CORPORATION

16 ADMINISTRATIVE AND OPERATING EXPENSES

17 For administrative and operating expenses, \$12,000,000.

18 FEDERAL CROP INSURANCE CORPORATION FUND

19 Not to exceed \$1,648,000 of administrative and operat-
20 ing expenses may be paid from premium income.

21 SUBSCRIPTION TO CAPITAL STOCK

22 To enable the Secretary of the Treasury to subscribe
23 and pay for capital stock of the Federal Crop Insurance
24 Corporation, as provided in section 504 of the Federal Crop
25 Insurance Act (7 U.S.C. 1504), \$10,000,000,

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

To reimburse the Commodity Credit Corporation for net realized losses sustained in prior years but not previously reimbursed, pursuant to the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), in the following amounts: fiscal year 1961, \$57,047,170; fiscal year 1967, \$2,210,668,971; fiscal year 1968, \$2,698,217,859; in total, \$4,965,934,000:

Provided, That no funds appropriated by this Act shall be used to formulate or administer programs for the sale of agricultural commodities pursuant to title I of Public Law 480, 83d Congress, as amended, to any nation which sells or furnishes or which permits ships or aircraft under its registry to transport to North Vietnam any equipment, materials or commodities, so long as North Vietnam is governed by a Communist regime.

LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$31,500,000 shall be available for administrative expenses of the Corporation: *Provided further*, That \$945,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's

1 charter: *Provided further*, That not less than 7 per centum
2 of this authorization shall be placed in reserve to be ap-
3 portioned pursuant to section 3679 of the Revised Statutes,
4 as amended, for use only in such amounts and at such times
5 as may become necessary to carry out program operations:
6 *Provided further*, That all necessary expenses (including
7 legal and special services performed on a contract or fee
8 basis, but not including other personal services) in connec-
9 tion with the acquisition, operation, maintenance, improve-
10 ment, or disposition of any real or personal property
11 belonging to the Corporation or in which it has an interest,
12 including expenses of collections of pledged collateral, shall
13 be considered as nonadministrative expenses for the purposes
14 hereof.

15 PUBLIC LAW 480

16 For expenses during the current fiscal year, not other-
17 wise recoverable, and unrecovered prior years' costs, includ-
18 ing interest thereon, under the Agricultural Trade Develop-
19 ment and Assistance Act of 1954, as amended (7 U.S.C.
20 1701-1710, 1721-1725, 1731-1736d), to remain available
21 until expended, as follows: (1) sale of agricultural commod-
22 ities for foreign currencies and for dollars on credit terms
23 pursuant to title I of said Act, \$400,000,000; and (2) com-
24 modities disposed of and other costs incurred in connection

1 with donations abroad, pursuant to title II of said Act,
2 \$500,000,000.

3 BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

4 For unrecovered prior years' costs related to strategic
5 and other materials acquired as a result of barter or exchange
6 of agricultural commodities or products and transferred to
7 the supplemental stockpile pursuant to the Act of May 28,
8 1956, as amended (7 U.S.C. 1856), \$750,000, to remain
9 available until expended.

10 TITLE IV—RELATED AGENCIES

11 FARM CREDIT ADMINISTRATION

12 LIMITATION ON ADMINISTRATIVE EXPENSES

13 Not to exceed \$3,628,000 (from assessments collected
14 from farm credit agencies) shall be obligated during the
15 current fiscal year for administrative expenses.

16 TITLE V—GENERAL PROVISIONS

17 SEC. 501. Within the unit limit of cost fixed by law,
18 appropriations and authorizations made for the Department
19 under this Act shall be available for the purchase, in addi-
20 tion to those specifically provided for, of not to exceed five
21 hundred and thirty (530) passenger motor vehicles, of
22 which four hundred and sixty-eight (468) shall be for
23 replacement only, and for the hire of such vehicles.

1 SEC. 502. Provisions of law prohibiting or restricting
2 the employment of aliens shall not apply to employment
3 under the appropriation for the Foreign Agricultural Service.

4 SEC. 503. Funds available to the Department of Agri-
5 culture shall be available for uniforms or allowances therefor
6 as authorized by law (5 U.S.C. 5901-5902).

7 SEC. 504. No part of the funds appropriated by this
8 Act shall be used for the payment of any officer or employee
9 of the Department who, as such officer or employee, or on
10 behalf of the Department or any division, commission, or
11 bureau thereof, issues, or causes to be issued, any prediction,
12 oral or written, or forecast, except as to damage threatened
13 or caused by insects and pests, with respect to future prices
14 of cotton or the trend of same.

15 SEC. 505. Except to provide materials required in or
16 incident to research or experimental work where no suitable
17 domestic product is available, no part of the funds appro-
18 priated by this Act shall be expended in the purchase of
19 twine manufactured from commodities or materials produced
20 outside of the United States.

21 SEC. 506. Not less than \$1,500,000 of the appropriations
22 of the Department for research and service work authorized
23 by the Acts of August 14, 1946, July 28, 1954, and Septem-
24 ber 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-

1 1893), shall be available for contracting in accordance with
2 said Acts.

3 SEC. 507. No part of any appropriation contained in this
4 Act shall remain available for obligation beyond the current
5 fiscal year unless expressly so provided herein.

6 SEC. 508. None of the funds in this Act shall be avail-
7 able to finance interdepartmental boards, commissions, coun-
8 cils, committees, or similar groups under sec. 214 of the Inde-
9 pendent Offices Appropriation Act, 1946 (31 U.S.C. 691)
10 which do not have prior and specific Congressional approval
11 of such method of financial support.

12 SEC. 509. No part of the funds appropriated under this
13 Act shall be used to pay salaries of any Federal employee
14 who is convicted in any Federal, State, or local court of
15 competent jurisdiction, of inciting, promoting, or carrying on
16 a riot, or any group activity resulting in material damage to
17 property or injury to persons, found to be in violation of
18 Federal, State, or local laws designed to protect persons or
19 property in the community concerned.

20 SEC. 510. Positions in the agencies covered by this Act,
21 whether financed from funds contained in this Act or from
22 other sources, may be filled during the fiscal year 1970 with-
23 out regard to the provisions of section 201 of Public Law 90-

1 364, and such positions shall not be taken into considera-
 2 tion in determining numbers of employees under subsection
 3 (a) of that section or numbers of vacancies under subsection
 4 (b) of that section.

5 This Act may be cited as the "Department of Agricul-
 6 ture and Related Agencies Appropriation Act, 1970".

A BILL

Making appropriations for the Department of
 Agriculture and related agencies for the
 fiscal year ending June 30, 1970, and for
 other purposes.

By Mr. WHITTEN

MAY 23, 1969

Committed to the Committee of the Whole House on
 the State of the Union and ordered to be printed

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued May 27, 1969
For actions of May 26, 1969
91st-1st No. 86

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HIGHLIGHTS: House debated agricultural appropriation bill. Senate passed wilderness bill. Sen. Mansfield commended Forest Service smokejumpers. Rep. Burlison, Mo., praised American agriculture. Rep. O'Hara and others introduced and Rep. O'Hara discussed proposed Manpower Act bills.

HOUSE

1. APPROPRIATIONS. Began debate on H. R. 11612, the Department of Agriculture appropriation bill for 1970. pp. H4079-128, E4316

A point of order made by Rep. Findley against consideration of the bill was overruled. pp. H4079-80

A point of order made by Rep. Yates against the language added to the CSRS appropriation regarding timber receipts withheld from States from sales of national forest timber for noncompliance of civil rights laws was sustained. pp. H4113-14

Agreed to the following amendments:

By Rep. Conte, to limit subsidy payments to \$20,000 a year to any individual farmer (other than for sugar) (pp. H4116-28). A substitute amendment offered by Rep. Nelsen was rejected on a point of order made by Rep. Whitten (p. H4119). A substitute amendment offered by Rep. Quie was rejected (pp. H4122-28).

By Rep. Poage, to provide \$120 million to carry out the provisions of the special milk program, to be transferred from Section 32 funds. pp. H4115-16

Rejected the following amendments:

By Rep. Schwengel, to provide \$99,300,000 to carry forward the cropland adjustment program. p. H4128

By Rep. Ottinger, "that no appropriation contained in this act shall be used for the purchase or application of chemical pesticides, except for small quantities for testing purposes, within or substantially affecting States" where it is in conflict with State laws. pp. H4112-13

By Rep. Ottinger, "that no appropriation contained in this act shall be used for the purchase or application of" DDT and certain other chemical pesticides, except small quantities for testing purposes. p. H4113

By Rep. Keith, that no funds under this act be used to purchase imported fish or fish products for the school lunch program when such fish are available on the domestic market. p. H4116

Attached to this Digest is a copy of the committee report, which includes a summary table reflecting committee action on the bill.

2. RECLAMATION. A subcommittee of the Interior and Insular Affairs Committee approved for full committee action S. 742, to amend the act of June 12, 1948, in order to provide for the construction, operation, and maintenance of the Kennewick division extension, Yakima project, Wash. p. D434

3. NATIONAL PARKS; POLLUTION. Rep. Rogers, Fla., inserted remarks of John C. Raftery, superintendent, Everglades National Park, in which he points out, "Not only must the Park's water supply be timely and adequate, but it must also be of high quality." pp. H4131-2

Rep. Waldie criticized the proposed change of public water quality standard hearings to "informal, behind the scenes negotiations between Federal and State water officials," and inserted a supporting article. pp. H4149-50

4. GEO. Several Members congratulated former Rep. Donald Rumsfeld on his appointment as Director of the Office of Economic Opportunity. pp. H4078, H4132-3

For the past 10 months, port of call for the SS *Hope* has been Ceylon. There, its staff has conducted a comprehensive medical teaching and training program. More than 1,700 patients were treated aboard ship, with another 3,000 given care in the ship's dental department. Some 70,000 children received immunization against diphtheria, whooping cough, and tetanus.

At the request of the Ceylonese medical authorities, *Hope* left behind a continuing program to assist in that nation's dentistry and hospital planning.

The day before the ship left Ceylon to return to Philadelphia, more than 20,000 people came to the dock to bid the ship and crew farewell.

Project HOPE, with almost a decade of experience abroad, has added a new dimension to medical teaching programs. It presents an opportunity for an honest exchange of ideas and a definite understanding, through the study of common medical problems, that bring people closer together regardless of their strange and varied backgrounds. Project HOPE, in the finest traditions of America, is helping people to help themselves.

President Eisenhower said:

I firmly believe Project HOPE is the single most effective step in presenting America as a warm and good friend.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 61]

Adair	Dickinson	Monagan
Adams	Diggs	Morton
Addabbo	Dowdy	O'Neal, Ga.
Albert	Dulski	Ottinger
Anderson,	Dwyer	Pepper
Calif.	Edwards, La.	Podell
Ashbrook	Erlenborn	Pollock
Ashley	Evins, Tenn.	Powell
Ayres	Fallon	Price, Tex.
Baring	Feighan	Pryor, Ark.
Bates	Fish	Randall
Beall, Md.	Fisher	Rees
Bell, Calif.	Ford	Riegle
Berry	William D.	Rivers
Biaggi	Foreman	Ronan
Bingham	Gallagher	Rooney, N.Y.
Blackburn	Gettys	Rosenthal
Blatnik	Glaime	Roudebush
Bow	Goldwater	Roybal
Brock	Green, Oreg.	St. Onge
Brown, Calif.	Halpern	Sandman
Burleson, Tex.	Hanley	Scherle
Cahill	Hébert	Scheuer
Carey	Heckler, Mass.	Scott
Carter	Helstoski	Shriver
Cederberg	Hunt	Smith, N.Y.
Celler	Jacobs	Stafford
Chisholm	Kiryan	Staggers
Clark	Kluczynski	Stanton
Clausen,	Koch	Stephens
Don H.	Kyl	Stratton
Clawson, Del.	Landrum	Symington
Collier	Latta	Teague, Tex.
Colmer	Long, La.	Thompson, Ga.
Conyers	Lowenstein	Watts
Corbett	McCarthy	Whalley
Corman	McClure	Wiggins
Coughlin	Macdonald,	Wilson, Bob
Cowder	Mann	Wilson,
Davis, Ga.	Mann	Charles H.
Dawson	Marsh	Wold
de la Garza	Martin	Wyman
Dellenback	Miller, Calif.	Young
Dent	Mollohan	

The SPEAKER. On this rollcall, 306 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ALBERT FUENTES

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute.)

Mr. GONZALEZ. Mr. Speaker, for several days I have been importuning the House of Representatives and calling attention to a malodorous situation that arose in the Small Business Administration in my congressional district.

As a result, one of the men involved, Albert Fuentes, who on March 3 was appointed special assistant to the Administrator of the Small Business Administration called me a liar about 9 days ago. This morning he was indicted with another person by the Federal grand jury in San Antonio.

Mr. Speaker, I will continue to address this House about some of the activities that have yet to be brought to light in conjunction with this man's activities as special assistant to the Administrator of the Small Business Administration, not the least of which has been another involvement in a swindling deal with another man with whom he took an assumed-name corporation, who has been indicted by the Bexar County grand jury. The Bexar County grand jury on top of the Federal grand jury is also looking into this matter.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL 1970

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes; and pending that motion I ask unanimous consent that general debate on the bill be limited to not to exceed 3 hours, 1½ hours to be controlled by the gentleman from Minnesota (Mr. LANGEN) and 1½ hours by myself.

The SPEAKER. For what purpose does the gentleman from Illinois rise?

Mr. FINDLEY. Mr. Speaker, I make a point of order against consideration of H.R. 11612 until tomorrow noon, and I would like to be heard on the point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. FINDLEY. My point of order is that taking up the bill at this time is a violation of rule XXI, section 6, which reads as follows:

No general appropriation bill shall be considered in the House until printed committee hearings and a committee report thereon have been available for the Members of the House for at least 3 calendar days.

I would like to state to the Chair that Friday afternoon of this past week, which was less than 3 full calendar days from this hour, I called at the office of the

Appropriations Committee and asked for a copy of the appropriation bill and the accompanying committee report. I was given a document, which I am glad to present to the Chair, which carries the label "Committee Print," but has no report number and refers to no bill by number. I asked the committee if this was the only document available. I said I wanted a report which had a report number printed on it and which referred to a particular bill. I was informed by the chief clerk of the Appropriations Committee that such document would not be available until the next morning, that is Saturday morning. Inasmuch as section 6 of rule XXI explicitly says "at least 3 calendar days," I think it is only reasonable to assume from that the 3 days means three 24-hour periods, and three 24-hour periods have not yet elapsed since the committee report bearing the report number was made available to the Members of the House.

The SPEAKER. Does the gentleman from Mississippi wish to be heard?

Mr. WHITTEN. Mr. Speaker, may I say for the RECORD that we had until midnight Friday night to file the report and bill for printing. The bill and report were made available to every Member and the general public on Friday, May 23, and this is Monday, May 26. Three calendar days have elapsed since they were reported, which conforms to the rule.

The committee hearings were printed in five volumes: They became available April 7, April 26, May 7, May 19, and May 23. So the fact is that the 3-calendar-day rule has been carried out in all respects.

Mr. FINDLEY. Mr. Speaker, as a point of clarification, may I state that I called at the Appropriations Committee at 2:30 p.m. last Friday and was informed by the clerk that not until the next morning could I secure a report with a number printed on it.

The SPEAKER. The gentleman from Illinois (Mr. FINDLEY) makes a point of order against the consideration of the bill (H.R. 11612) making appropriations for the fiscal year ending June 30, 1970, and for other purposes, on the ground that printed committee hearings and the committee report on the bill have not been available for 3 calendar days as required by clause 6, rule XXI. It has been the uniform practice of the House in determining the expiration of a required number of days to include in such computation either the initial or terminal day, but not both. The chair has ascertained that the report on the bill was filed on Friday last, pursuant to the unanimous-consent agreement of Thursday, May 22, and that all five parts of the printed committee hearings on the bill were available for inspection by Members by Friday last. Thus, by counting either Friday last, the day the report was filed and all hearings were available, or today, the day of consideration of the bill, as well as Saturday and Sunday last, the 3-calendar-day requirement of clause 6, rule XXI has been complied with by the Committee on Appropriations. The Chair therefore overrules the point of order.

Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11612, with Mr. WRIGHT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Mississippi (Mr. WHITTEN) will be recognized for 1½ hours, and the gentleman from Minnesota (Mr. LANGEN) will be recognized for 1½ hours.

Mr. CONTE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

One hundred Members are present, a quorum.

The gentleman from Mississippi (Mr. WHITTEN) is recognized.

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, it is with real pride that I present this appropriation bill to the House floor for perhaps the 17th or 18th time. When I began to handle this bill as chairman of this subcommittee, my knowledge of agriculture had come largely from study, in that I left the farm at an early age. Through the years I have enjoyed presenting this to the House of Representatives.

As a result of improvements through the years, a few provide so much for the rest of us, but those few do not get the same degree of attention as well they might. This is very well expressed in our report.

If the United States of America were a primitive, isolated village of 20 persons, and if one of those 20 produced all of the food—and much of the fiber for clothing—consumed by the other 19, that one man would be hailed by his fellows as the preeminent contributor to the commonweal. For they would see clearly—in these simple circumstances—that they depended on this single individual for the most basic necessities of life itself.

This great Nation is not, of course, a primitive village—far from it. Yet one American on the farm does, in fact, produce nearly all of the food and fiber consumed by 19 of his fellow citizens.

Not only is this fact little understood today by the 94.4 percent of our people who live in cities and towns, but the whole vast scope of our amazingly productive agricultural economy is a foreign subject to tens of millions of our citizens.

Many of our children undoubtedly think milk originates in cartons;

They may believe that meat and poultry begin their trip to market wrapped in plastic;

They are probably not aware that a woolen suit or cotton shirt did not just grow that way.

These children's parents would not make these mistakes, of course, but they, too, are likely to be unaware of conditions on the farm today, and of the fact that agriculture is still the very cornerstone of our modern way of life.

It has been pointed out in many previous reports of this committee that the economic welfare of the Nation's economy is dependent on the economic strength of each segment thereof. Time has proved that labor and industry can be prosperous only to the extent that the agricultural economy is strong and healthy.

Agriculture is the principal source of new wealth. It is the main provider of basic raw materials which support all segments of business and industry. Reliable estimates indicate that each dollar of wealth taken from the soil generates \$7 of income throughout the rest of the economy.

Agriculture is our largest industry. Its assets exceed those of any of the next 10 largest industries. It employs more workers than any other major industry. It employs seven times the number of people in the mining industry, 23 times the number in the oil and coal industry, and five times the number in the automobile industry. In addition, it supports directly another 10 percent of our non-farm population which supplies the farmer with his needs and processes and markets his products.

Agriculture is one of the major markets for the products of labor and industry. It spends more for equipment than any of the other large industries. Agriculture uses more steel in a year than is used for a year's output of passenger cars. It uses more petroleum products than any other industry in the country. It uses more rubber each year than is required to produce tires for 6 million automobiles. Its inventory of machinery and equipment exceeds the assets of the steel industry and is five times that of the automobile industry.

But over the years, in spite of Government farm programs, industry and labor's share of the consumer's food dollar has risen substantially. Compared with 1950, retail food prices were up almost 40 percent by 1968. But during that same period, prices received by farmers, while fluctuating from year to year, remained unchanged in the aggregate.

In 1950, the farmer's share of the retail food dollar was 47 cents. By 1968, it was down to 39 cents. Taking several specific examples:

The farmer receives only 3.3 cents of the retail cost of a loaf of bread, which averaged 22.4 cents in 1968.

In the same year, he received only 23 cents of the \$4.60 retail price of a cotton business shirt.

The farmer's component of the 87-cent-per-pound average retail price of beef was only 52 cents per pound.

One of the important contributions of American agriculture to the national economy has been its contribution to our balance of payments abroad.

Total agricultural exports increased from \$4.5 billion in 1960 to \$6.3 billion in 1968. Exports for dollars rose from \$3.2 billion to \$4.7 billion during this period. During the calendar year 1967, agricultural exports for dollars exceeded agri-

cultural imports by \$585 million. This more than offset the trade deficit for commercial trade of \$400 million in 1967.

From 1961 through 1968, agricultural exports contributed over \$32 billion to our balance of payments. Even though only about 22 percent of total exports are agricultural commodities, they account for over 50 percent of our favorable trade balance.

The efficiency and productivity of U.S. agriculture has made this country the world's largest exporter of food to the many nations of the world. In recent years the export of U.S. agricultural commodities has increased to the point where production from one out of each four acres is sold abroad. In addition to supplying much needed foreign exchange, this has contributed to the domestic economy by providing about 1 million jobs in the agribusiness fields.

American agriculture continues to make a major contribution to the national welfare through the production of bountiful supplies of high quality and low-cost foods for the Nation's consumers. Food is one of today's best bargains.

This is apparent at the supermarkets, where city consumers can choose from thousands of safe, wholesome, and delicious foods—products of the farms of our 50 States. Using only 17 percent of their income, American consumers can select foods with a knowledge of nutrition and balanced diets that makes this a Nation of healthy and well-fed people. Many people in the world spend half or more of their available income on food. In underdeveloped areas people spend most of their time grubbing a living from the earth.

In 1929, 23.4 percent of consumer income in the United States went for food. This decreased to 22.2 percent in 1950, 20 percent in 1960, and 17 percent last year. This steady decrease has occurred despite the increasing portion of food costs which go for marketing and related services. If the 1960 level of 20 percent had continued through 1968, U.S. consumers would have had \$18 billion less to spend for the products of industry and labor.

HUNGER AND MALNUTRITION IN AMERICA

Few subjects have attracted as much publicity and created as much public outcry in recent months as the alleged existence of hunger and malnutrition in America. No one—least of all the members of this committee—would wish even one of our fellow citizens this misfortune of going to bed hungry.

Last year, this committee recommended and the Congress approved total funds of approximately \$1.2 billion for the various food distribution programs of the Department of Agriculture. Appropriations recommended by the committee in the current bill, plus amounts available from section 32 funds, will provide a total of nearly \$1.5 billion for the operation of these programs in fiscal year 1970.

Through the years, real progress has been made in improving public health and extending life expectancy in this country. The food distribution programs for which funds are carried in this bill have made a real contribution to this progress. The following figures indicate the story:

TOTAL DEATHS REPORTED IN THE UNITED STATES FROM SEVERAL NUTRITIONAL CAUSES

	1966	1956	1949	1945	1940	1935
Beriberi.....	14	25	47	46	63	7
Pellagra.....	21	70	321	914	2,123	3,543
Scorvy.....	0	7	22	18	26	30
Active rickets.....	3	6	65	93	161	261
Malnutrition: General or multiple deficiencies.....	150	588	799			

1 Changes in the system of reporting deaths have altered the reporting of nutritional diseases from time to time.

RELATIVE LIFE EXPECTANCY IN THE UNITED STATES, MALES AND FEMALES, 1900-66 (in years)

Year of life	1966		1949-51		1929-31		1900-1902	
	Male	Female	Male	Female	Male	Female	Male	Female
1.....	65.3	71.9	64.2	68.6	56.6	58.6	48.5	50.0
50.....	22.0	26.8	21.5	24.7	21.0	21.0	19.1	20.3
70.....	10.7	13.1	10.5	12.0	9.0	10.2	8.7	9.6

It is this committee which has initiated and supported additional efforts to seek out and to care for especially needy cases of malnutrition and hunger. In 1967, the chairman of this subcommittee recommended and the Congress approved the following provision:

CONFERENCE REPORT NO. 746 ON DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, FISCAL YEAR 1968

Amendment No. 37: Food stamp program.—The managers on the part of the House intend to offer a motion which will provide \$185 million for this program, \$23,200,000 from prior year balances and \$161,800,000 by direct appropriation. Of the amount provided, \$5 million may be used in needy areas in this program where it may be required to meet problems resulting from the need for special considerations for extremely low-income families.

In 1968, he recommended and the Congress increased the appropriation by \$50,000,000 and passed the following provision:

1969 APPROPRIATION BILL (H.R. 16913)—PUBLIC LAW 90-463 FOR DEPARTMENT OF AGRICULTURE

* * * and (4) not more than \$45 million (including not to exceed \$1 million for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended; and (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an

adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food: *Provided*, That in making such determinations, the Secretary shall take into consideration the age; income; location and income of parents, if a minor; and employability.

It is this latter provision of law which has authorized the Secretary of Agriculture to provide free and reduced-price food stamps in several States recently.

This committee has long been active in trying to help with nutritional education. Back in 1950, the committee was responsible for an appropriation to prepare and issue one of the first bulletins on the subject of human nutrition, "Family Fare."

It had come to the committee's attention that 36 percent of the young men being called into the draft in World War II had defects which could be attributed to faulty nutrition. So the committee recommended and the Congress agreed to redirect funds which had theretofore been used for a bulletin on keeping livestock healthy to the development of a book on human nutrition.

The debate in the House on this subject can be found in the CONGRESSIONAL RECORD of April 27, 1950, pages 5925 to 5927.

This pamphlet now is the No. 1 bulletin of the Department of Agriculture. Testimony before the committee shows that about 12 million copies have been sent

out over the United States. According to the Director of Information of the Department of Agriculture, it has been the most popular bulletin nearly every year since 1950.

THE total food distribution expenditures by the U.S. Department of Agriculture during fiscal year 1969 will exceed \$1.2 billion. Since 1960, total funds for combating rural poverty and pushing

ing rural development have increased nearly threefold to \$2.3 billion.

This committee has no authority or desire to relieve parents of the legal obligation to provide for their children. However, this committee and the Congress have generally provided more money than requested in the budget for food distribution purposes, as indicated by the following figures, for the past 4 years:

FOOD DISTRIBUTION PROGRAMS—COMPARISON OF BUDGET ESTIMATES AND APPROPRIATIONS (INCLUDES SPECIAL MILK, SCHOOL LUNCH, FOOD STAMP, AND DIRECT DISTRIBUTION PROGRAMS)

Fiscal year	Budget	Appropriation	Difference
1969.....	\$1,114,468,000	\$1,128,499,000	+\$14,031,000
1968.....	945,535,000	939,625,000	—5,910,000
1967.....	600,600,000	701,455,000	+100,855,000
1966.....	669,900,000	672,900,000	+3,000,000
Grand total, 4 years.....	3,330,503,000	3,442,479,000	+111,976,000

The amounts included in the bill and the current year, are shown in the following table:

FOOD ASSISTANCE PROGRAMS

(In thousands)

	Fiscal year 1969, estimated	1970 bill
A. Child feeding programs:		
1. Cash grants to States:		
(a) School lunch (sec. 4).....	\$162,041	\$168,041
(b) Special assistance (sec. 11).....	10,000	44,800
(c) School breakfast.....	3,500	10,000
(d) Nonfood assistance.....	750	10,000
(e) State administrative.....	5,750	750
(f) Nonschool food program.....	103,314	10,000
(g) Special milk.....	43,941	89,000
(h) Special sec. 32.....		
Total, cash to States.....	330,046	332,591
2. Commodities to States:		
School lunch (sec. 6).....	64,325	64,325
Sec. 32.....	80,500	90,411
Sec. 416.....	144,872	146,838
Total, commodities.....	289,697	301,574
3. Federal operating expenses:		
School lunch.....	2,161	3,100
Nonschool feeding.....	500	750
Special milk.....	681	
Total operating expenses.....	3,342	3,850
Total, child feeding.....	623,085	638,015
B. Family feeding programs:		
1. Food stamp program.....	279,908	340,000
2. Direct distrib. to families (reg. program):		
(a) Sec. 321.....	142,141	225,028
(b) Sec. 416.....	116,539	140,000
Total, 00 to families.....	258,680	365,028

Footnote at end of table.

FOOD ASSISTANCE PROGRAMS—Continued

[In thousands]

	Fiscal year 1969, estimated	1970 bill
D. Family feeding programs—Continued		
3. Nutritional supplement (special packages):		
(a) Special sec. 32—Food stamp areas.....	1,000	11,000
(b) Sec. 32 ¹	7,318	22,000
(c) Sec. 416.....	500	1,500
Total, special packages.....	8,817	34,500
Total, family feeding.....	547,405	739,528
C. Direct distribution to institutions:		
1. Sec. 32 ¹	1,967	3,800
2. Sec. 416.....	43,000	29,000
3. VA, Armed Forces, penal.....	17,875	21,000
Total, DD to institutions.....	62,842	53,800
D. Nutrition aide program.....	10,000	30,000
Total, food assistance program.....	1,243,332	1,461,343

¹ Includes related administrative expense.

EXTENT OF MALNUTRITION AND HUNGER

Today's publicists of the malnutrition problem are claiming that countless millions of our fellow Americans are hungry. It is clear that the facts about the extent of malnutrition must be ascertained before effective action can be taken to meet the problem. Certainly the search for facts should not be interpreted as a failure to understand or sympathize with the plight of the undernourished among us. Further still, the search for facts has not delayed action by Congress on the recommendation of this committee. For many years, this committee has tried its best to determine the facts regarding the true extent of hunger and malnutrition in the country and to act on them. The record set forth heretofore provides ample evidence of this.

A great many books and pamphlets—including one called "Hunger, USA"—have been given wide distribution recently. In addition, on May 21, 1968, and again on June 16, 1968, the Columbia Broadcasting System—CBS—presented a television program "Hunger in America" which was viewed by millions of people. The assertions made in these books and on that program were shocking to all of us.

This committee, after providing the foregoing funds and authority, then set about to determine the facts on which the books and program were based, in order to find a way to seek out and provide for alleviating the suffering of the unfortunate individuals portrayed therein. The committee's professional surveys and investigations staff conducted a lengthy inquiry into these matters. These trained professionals conduct their studies on a completely independent and unbiased basis. After this investigation was ordered, the members of the committee had no further influence on the conduct of it, or the results and data contained in the staff's final report.

This special report has been received, and has been published in full in part V of the hearings on this bill. The facts presented are, in their way, as shocking as the allegations in the books and programs which preceded the report. It appears that many of the incidents described or photographed were staged, as though for a Hollywood production.

Our country's press and other news media are free—they have been throughout our history, and always should be, but somehow we must make them responsible. The first amendment to our Constitution provide that Congress shall make no law abridging the freedom of the press—and this wise declaration by our founding fathers has stood the test of time for nearly two centuries—though at times, it seems some take this provision to be a license to say anything—whether true or not.

But rights carry responsibilities with them. A responsible press—newspaper, magazine, radio, or television—should have as its first guiding principle a duty to inform its readers or viewers fairly, objectively, and truthfully. Does not the public have a right to expect that this will be done?

The Nation's best interests are simply not well served when appeals to emotions are substituted for reasoned calls for responsible action.

MALNUTRITION A COMPLEX PROBLEM

As noted above, this committee and the Congress have been attempting to eradicate malnutrition in America for many years. And there can be no doubt that the Federal programs and funds provided—amounting to nearly \$1.5 billion for fiscal year 1970 alone—have done and will continue to do a great deal of good in meeting this problem. Yet malnutrition persists, at least in some instances.

There is no single answer to the problem, because malnutrition may have many different causes. The final elimination of hunger from America will require that—in the last analysis—the circumstances of individual hungry people must be examined. For example:

If the real problem in some cases is that the food stamp office is too distant from home—and local transportation is inadequate—then a car pool run by a local service organization would do more to solve the problem than a new Federal program;

If food is available, but certain individuals do not know how to prepare it properly, then education, not more food, is the answer;

If certain people, through habit and

custom, are eating the foods their mothers prepared for them when they were children—and these foods are not sufficient to provide an adequate nutritional diet—then education again is the answer.

If certain children receive their only good meal of the day at school because their parents are deliberately not caring for them properly—and there are such cases—then the laws of each of the 50 States, which make it a criminal offense to neglect one's children, should come into play.

And if wealthy teenagers are subsisting on soft drinks and hamburgers, some parental leadership is all that is indicated.

These examples do not exhaust the subject. Many others could be cited. But the point is clear: malnutrition is a complex problem, with no single solution. If more Federal assistance is required to solve a part of the problem, then it should be provided. But it cannot do the job alone.

There is no lack of research findings on proper nutrition. And there is no lack of written materials describing good nutritional practices in easily understood terms. As pointed out earlier in this report, about 12 million copies of a single Department of Agriculture bulletin, "Family Fare"—which the committee initiated nearly 20 years ago—have been distributed to families throughout this Nation and are available to others who need them. And there are many other bulletins on this subject.

But despite these efforts—and despite the appropriation of billions of dollars over the years for food assistance programs—it is clear that, in some cases, the message is just not getting across.

The purveyors of easy answers should bear in mind two fundamental truths:

First, massive new Federal programs and large additional appropriations will be good only to the degree they are directed to the real problem areas.

Second, American family life must be preserved. If all needy children were to be fed in institutions—as some have suggested—they would not be hungry. But what would this do to the fabric of family life, and the traditions inherited by our future generations?

Our pioneer forebears believed in being their brothers' keeper. It took a strong back of many men to raise high the roof beam of each frontier cabin. From our earliest days down to the present time, Americans have believed in providing for those—the children, the elderly, the sick, the disabled—who could not provide for themselves.

But the true greatness of America has also sprung from the sweat of the brow of countless millions in the last two centuries. The continent was not spanned, and our great cities were not built, by men who stood aside and waited for others to do the work.

All of us share in the responsibility to extend a helping hand to those among us who are hungry and in need. We must provide the funds and other means necessary to do this. We must not, however—through Federal programs—encourage our people to forsake their traditions of independence and self-reliance. Further,

we must be certain that Federal funds for these purposes will provide the maximum benefits to those in real need.

THE FOUNDATION OF OUR FOOD SUPPLY

All of the controversy about hunger and malnutrition today has taken for granted the availability in the United States of a plentiful supply of nutritious food. We, in fact, have such a supply—the most abundant the world has ever seen. But we must not forget that the continued availability of these ample food supplies is not automatic. Future supplies to feed the rapidly growing population of this Nation and the world, including the hungry and the undernourished, will be determined by the economic viability of our agricultural producers, and the continued productivity of our soil and water resources.

Regardless of all else, it is an irrefutable fact that our bountiful food supply can continue only so long as the income to farmers and ranchers is sufficient to keep them productive and efficient—in fact, to keep them in business. Our current programs of price supports, low-cost loans, research, and regulatory activities are directed toward this end. These basic programs benefit all of us—the poor and the hungry as well as the better off—equally as much as the farm producer upon whom they must depend for their basic necessities of life.

Further, the needy and the hungry—as well as all Americans—cannot long be fed unless our basic soil and water resources are preserved. The future welfare of all our people regardless of income or station in life is entirely dependent on the preservation of the basis for continued food production.

William Jennings Bryan is reputed to have once said:

Burn down your cities and they will arise again as if by magic. But destroy our farms and the grass will grow on the streets of every city in the land.

NEED TO CONSERVE OUR FOOD PRODUCTION CAPACITY

Three-fourths of our land area is in private ownership and 60 percent is in farms and ranches. Therefore, our farmers and ranchers are the principal managers of the Nation's soil and water resources for all the people. If this Nation is to survive and prosper, we must continue to assist these custodians of our natural resources to reforest our lands, protect our watersheds, harness our streams for electricity, and conserve soil and water.

If we leave to future generations a fertile land, this country will be able to meet its future domestic problems, international threats, and financial needs. Money alone is of no value. It must be supported by natural resources adequate to generate new wealth for future generations.

In our private lives, we all can live prosperously for a short time if we cash in all our insurance, use all our savings, and mortgage our assets. As a Nation, we can do the same if we are willing to "cash in" on our land, leaving to our children what is left—like previous generations have done in India, China, and the rest of the world we help to feed and clothe today.

It is considered good financial practice for a successful industrial concern to invest a portion of its income in the maintenance and preservation of its basic productive plant. It is equally important that our Nation invest a portion of its wealth in the protection of our food production capacity and its preservation for future generations.

SOIL AND WATER CONSERVATION

Remarkable progress has been made in soil and water conservation in the United States in the last 25 years. The major part of the soil conservation job still lies ahead, however. The United States continues to suffer heavy soil erosion losses. Some 120 million acres are endangered seriously, and only about a third of our land is safeguarded adequately. More than half the estimated \$1.2 billion average annual flood water and sediment damage in the United States occurs on the headwater streams and small tributaries. And sediment causes costly damage to the Nation's 10,000 major water storage reservoirs. The amount of erosion-produced sediment dredged annually from our rivers and harbors exceeds the volume of earth dug for the Panama Canal.

Increased farm production resulting from tremendous advances in science and technology tends to obscure the fact that, to meet food and fiber needs of a few years hence, this country will need the production equivalent of around 200 million more acres, based on current yields. Since we do not have additional acres of cropland available in the United States, this production must come largely from increased yields on existing cropland. This is in the face of continuing annual losses of some 400,000 acres of cropland because of erosion, and three times that amount each year through conversion of good farming land to urban and industrial uses.

Nearly one-fourth of the people of the Nation face problems of water shortage, poor water, or both. The rate of water use predicted for 1980 is nearly twice what it was in 1955. In some areas of this country we are already finding that expansion of population and industry is limited by the lack of adequate sources of water.

An official of the Department recently described one of the Nation's major problems of water conservation as follows:

The Nation is concerned about its water problems but it seems that very few people are aware that 70 percent of the Nation's water budget that comes as rain or snow is lost by evapotranspiration from vegetated lands. Only 30 percent of our water budget becomes massed flow into streams and reservoirs.

For example, during the average growing season in New York State a half million gallons of water will evaporate from an acre of potatoes, regardless of the kind of crop produced, since the evaporation is largely determined by solar radiation. The farmer who produces 500 bushels of potatoes per acre is producing 1 bushel of potatoes for every thousand gallons of water evaporated. If his yield is only 50 bushels of potatoes per acre, he will use 10,000 gallons of water for each bushel of potatoes produced.

Today's 200 million Americans are figuratively and literally "abusing the privilege" where the use and handling of

water is concerned. Our lake and rivers have become catch basins for the residues of our factories, automobiles, household and agricultural chemicals, for human wastes from thousands of villages, towns, and cities. How well we clean up this situation and learn to handle it without restricting man's means of providing our high standard of living may well determine the future of our Nation.

As we approach this problem, we must keep in mind that the power to control water quality or quantity is not only the power to make or break business but is a power over the life of the Nation itself. We must also keep in mind that agriculture's claims and responsibilities for the use of water are second to none, for agriculture provides our food, clothing and shelter, the basic necessities for life.

In addition, agriculture has a great responsibility in the use of water, for land is the great gathering place and reservoir for storage of water. Just a few years in the future we will need three times the water we use today, all of which points up the need to protect and manage the quality and quantity of our water supply.

Yet, in the face of all of these facts, the 1970 budget recommends severe cutbacks in the watershed programs of the Soil Conservation Service and the agricultural conservation program, which have as their sole purpose the preservation of our soil and water for future generations of Americans. The specific reductions will be discussed in more detail later in this report.

THE ORIGIN OF OUR PRESENT FARM PROGRAMS

Throughout history there has been a major war nearly every generation, and an economic or financial depression has occurred with about the same regularity. Many believe that the reason is that each new generation fails to recognize the lessons learned by the one which preceded it.

This Nation seems to be in somewhat the same situation with regard to agriculture today.

The seeds of the great depression of the 1930's were sown in the agricultural depression of the 1920's which followed the First World War. The failure to maintain farm exports or to support farm prices during this period, and thus to maintain farmers' purchasing power, weakened banking and business throughout the country. Yet, people frequently fail to remember the lessons of the terrible financial crises of the 1920's and 1930's. It was graphically illustrated in 1921, in 1929, and again in 1937 that, if the farmer's prices and purchasing power collapse, the whole economy suffers both in the cities and in rural areas.

Let us briefly review the history of farm prices in the late twenties and the thirties, when a drop in the purchasing power of those engaged in agriculture not only wrecked farming but dragged down the economy of the whole Nation.

After the First World War ended, the Government announced that it would no longer support the price of wheat. Wheat which had brought \$2.94 a bushel in Minneapolis in July 1920, brought \$1.72 in December 1920, and 92 cents a year later. Agricultural prices in general col-

lapsed. Cotton fell to a third of its July 1920 price and corn by 62 percent. The "Yearbook of Agriculture" of 1922 shows that the total value of agricultural products dropped from \$18,328,000,000 in 1920 to \$12,402,000,000 in 1921. As a result of the agricultural crash of 1920-21, 453,000 farmers lost their farms. Many others remained in serious financial trouble which, in turn, was reflected by failures of local banks.

Average wheat prices for the years 1924-27 stayed in a range between \$1.19 and \$1.44 a bushel as compared to a parity price of approximately \$1.40 for that period. Corn prices in these same years varied between 70 cents a bushel and \$1.06 a bushel versus a parity price of about \$1. Cotton prices were 12.5 cents a pound in 1926 but averaged 20.7 cents for the other years, compared to a parity price of 19.1 cents. In 1928 these prices were: wheat, \$1; cotton, 18 cents; and corn, 84 cents. By 1931 wheat was 38 cents; cotton, 5.5 cents; and corn, 32 cents—roughly one-third of the pre-1928 price levels. Starting in August of 1929, wheat prices for the dominant futures on the Chicago Board of Trade fell from \$1.43 average price to 76 cents in November of 1930, a drop of over 50 percent in 15 months. The Dow Jones stock price averages followed by declining from a high of 381.2 in September to a low of 41.2 in July of 1932. The decline of the price of wheat on the commodity exchanges was particularly significant since there were nearly \$250 million of open contracts in October 1929, almost 2½ times the number of contracts in normal years. A great many of these speculators were ruined.

It has been said there were more suicides during this period among those that did not know what a farm was as a result of the breakdown in farm or commodity prices—which had led to a fall in prices and values throughout the economy—than in any other period in our history.

It was a sad way to learn it, but people at that time came to realize that real wealth starts with material things—corn, wheat, cotton, food crops of all kinds, and other raw materials—and that the general economy was primed by the sale of raw materials since, in general, the total national wealth averages some seven times the sales value of the farm or raw material production.

The people of the United States should have learned several important lessons from these experiences of the twenties and thirties.

First, when farmers cannot get a fair return for their products, the land suffers. The price of producing food, clothing, and shelter must be paid, either by a fair price from those who consume them or by further depletion of the land from which they come. Congress, reacting to the terrible depletion of our soil and water resources because of the poor financial position of many farmers, passed the Soil Conservation and Domestic Allotment Act of 1936. Yet today these same facts are being overlooked and we are being requested to devote less attention to our soil and water conservation efforts.

To make this point clear, one might draw a comparison between the farmer's position in this situation, and the activities of a typical American businessman.

If a businessman cannot make enough return on his investment to replace his depleted capital and keep his plant in operation, sooner or later he will go out of business. A rundown, inefficient factory and rusty outmoded equipment will eventually drive him to the wall. This is an economic fact well recognized by those engaged in industrial production.

The farmers, too, can deplete the fertility of his land and reduce his productive capacity—perhaps for a number of years in some instances—and stay in business. But sooner or later, he, or his successors, will have a worn out farm which will no longer produce the food and fiber which the consumers need from that farm unit.

In drawing this comparison, one thing must be kept clearly in mind. If a factory and its equipment go out of production, another businessman can come along and rebuild the factory and purchase new equipment in a relatively short time. But our soil and water—our agriculture production plant—are irreplaceable in our lifetime, and in the lifetimes of our children and our children's children. It takes nature as much as 10 million years to create a single inch of productive topsoil in many areas of the world.

Second, we sometimes seem to forget that some form of effective control over farm production and marketing is necessary. In 1937 heavy crop production caused surpluses and low prices for wheat and cotton, and a severe drop in commodity prices precipitated another economic decline throughout the economy. Based on this experience, Congress passed the Agricultural Adjustment Act of 1938.

The stated objective of this act was to: "regulate interstate and foreign commerce in cotton, wheat, corn, tobacco, and rice to the extent necessary to provide an adequate and balanced flow of such commodities. Such a flow can follow only from the leveling out of the recurrent surpluses and shortages that burden and obstruct interstate and foreign commerce in such products."

This law provided loans for storable commodities, generally called basics, the overproduction of which can be carried over to adversely affect succeeding crops for a number of years. Cotton, for instance, can be readily stored for 50 years without deteriorating to any noticeable degree. These storable or basic commodities were designated by Congress as corn, wheat, cotton, rice, tobacco, and peanuts.

In addition to providing crop loans so as to support prices, this law also provided that there must be an agreement by those receiving such loans to limit productions so as to have a workable program.

Third, many in this country seem to have forgotten that one of the major aims of the act of 1938 was to establish and maintain a fair relationship between the farmer's income and costs of production. This was necessary to maintain a reasonable relationship with what labor

and industry received as the result of various laws passed by Congress to guarantee bargaining rights and minimum wages.

The principle of adopting special laws to help certain groups was not new. In the early history of this Nation, laws were passed providing tariffs to protect industry. It was recognized at that time that early industry in America, with its lack of capital and know-how, with its lack of developed markets, and with many other disadvantages, could not compete with the well-established industry in the mother country of England or in other countries.

Also, about 60 years ago, the American people began to realize that labor needed some protection relative to wage rates, working conditions, and hours set by industry. At that time the Congress began to enact laws on minimum wages and the right to organize and to strike. Through the years these advantages have been increased greatly by various laws passed by the Congress.

This Nation learned in the great depression of the twenties and thirties that, in order to retain the purchasing power of those engaged in agriculture and allow them to stay in business to provide food essential to the general welfare, there had to be some provision in the law to maintain a balance between industry, agriculture, and labor, particularly since industry was protected by high tariffs and could place its mark-up or margin of profit over and above its cost, including raw material and labor.

Thus the Congress included in the act of 1938 a formula to maintain such a balance. To operate this program, the Congress created the Commodity Credit Corporation—a huge corporation first organized under the laws of the State of Delaware in 1933 with paid-in government capital—and later made it a Federal Government corporation.

Under this program, the producer can borrow for his storable or basic commodities, the major commodities, at a fixed percentage of parity. This level is usually set by the Secretary of Agriculture within limits fixed by the Congress, and usually varies in percentage depending upon the commodity and the supply needed. At the end of the year, the farmer can repay his loan, claim his commodity and sell it on the open market if the price is advantageous. If not so redeemed by the producer, the Government can foreclose on the loan and take title to the commodity. With such loan assurance under this plan, the price on the domestic market usually is sustained because the Commodity Credit Corporation is not authorized to sell below the support price.

Now, one might well ask: "Why does the farmer need the protection of these laws and programs? Why can't he just add his margin on top of his costs, just as any other businessman would do—even though those costs are higher because of laws protecting industry and labor?"

There are two fundamental reasons why he cannot do this:

In the first place, there are millions of farmers. Under a completely free sys-

tem, no individual farmer-businessman could have any say as to the prices he would receive for his product. These prices would be determined by market forces over which he could not have even a small amount of control. For an individual farmer to say, "I am going to sell at a certain price because my costs are going up" could price him completely out of the market if he were not competitive.

In the second place, farmers and ranchers do not produce unique products. One farmer's wheat or cotton or tobacco of a certain grade and type is usually the same as another farmer's wheat or cotton or tobacco of the same grade and type. Each is competing in a nationwide market for that particular grade and type of wheat or cotton or tobacco. There is no opportunity to compete in the open market in the normal private enterprise manner.

An industrial concern, on the other hand, can create a special demand for and distinguish or differentiate its products. It can create and cater to many different markets instead of one. For example, Americans do not regard automobiles as a standardized product—if they did, we might all be riding in a uniform version of the "people's car."

This differentiation of product by industry also makes advertising feasible. One businessman, through advertising, can convince consumers that his detergent or headache remedy is best for all, and the price may even become a secondary consideration.

It is for these reasons that the people of this Nation and especially its legislative leaders must review the record, must fully inform themselves as to the reasons for our present farm programs, and must remember the disadvantaged position of agriculture in our modern-day society.

It is for these reasons that our people must never forget the painful lessons of the past and the reasons why the present farm programs were placed on the statute books and have been in operation since the great depression of the 1920's and 1930's.

We must not forget the lessons of history and suffer again through the same mistakes and failures that our forefathers did. We must use the experience gained from those lessons to preserve the progress we have made in developing the finest agricultural system ever known to man.

COMMITTEE ACTION ON BILL

The bill includes an appropriation of \$130,182,000, plus a transfer of \$15 million from section 32 funds, for research for the coming fiscal year. This is an increase of \$1,063,700 over funds available for fiscal year 1969 and a decrease of \$449,300 in the revised budget estimate for fiscal year 1970. With a constantly increasing population, increased research is absolutely necessary if we are to maintain our standard of living, our health and our food supply.

The committee has included an additional \$100,000 for contract research on avian leukosis in poultry, making a total of \$837,500 available for the coming fiscal year. Avian leukosis continues to be the most baffling and costly of all poul-

try diseases, costly to producer and consumer alike, and is now rapidly becoming the No. 1 disease threat to broiler and egg production. Condemnations of poultry because of avian leukosis have increased from 6.5 percent of all birds condemned in 1962 to 35.2 percent of all birds condemned in 1967. The number of birds condemned due to this disease has increased tenfold during this same period. Current research efforts have produced new and important leads which offer promising approaches to better understand the complex disease.

An increase of \$100,000 for additional food and nutrition research is proposed, which will provide a total of \$400,000 for this purpose in the next fiscal year. These funds will enable the Department to up-date the handbook on nutrition, "Family Fare," which provides the latest information on vitamins, proteins, minerals, and other important nutritional factors. More than 12 million copies of this bulletin, first prepared for distribution in 1950 at the direction of this committee, have been distributed throughout the Nation since that time. We expect efforts to be made in the coming year to make this essential information more readily available to those who need it. Much valuable information has already been developed through research. What is needed most urgently now is an expanded effort to get undernourished people to put it to use.

The committee has also added \$50,000 for a cooperative Federal-private industry cane sugar refining research project at the Southern Utilization Laboratory in New Orleans, La. In the past several years there has been a definite change in the nature of raw sugars resulting from changing farm operations. Hand labor has been replaced with mechanical devices. Chemicals are now more widely used for weed and insect control and for fertilizer. These changes have slowly rendered the old and well-known processing techniques less effective. Research on the basic chemistry of the processes and on the identification of the trouble-causing constituents is needed to improve the processes and develop new ones.

The sum of \$50,000 has been added to the bill for expanded research on bovine mastitis. This will provide a total of approximately \$500,000 for the next fiscal year. Mastitis, an infectious disease of the udder, is the most serious animal health problem of the dairy industry, resulting in losses estimated to be as much as \$500 million a year which are costly to both producers and consumers. The disease is caused by numerous microorganisms and is influenced by many environmental conditions. The primary effect is reduction in milk production and the loss resulting from milk that is unfit for human food. It is recommended that the additional funds be used to intensify contractual research on a method for the measurement of the milk-ejecting hormone as developed by scientists now working on this problem in Massachusetts.

Through the years, the committee has strongly supported the wholesaling and retailing research program of the de-

partment. This work was discovered by the department last year, however, despite such support. In view of the extreme importance of this research, which enables the 200,000 independent grocers who handle about 58 percent of the Nation's retail food sales to compete with the larger chains to the benefit of their customers, the committee has included \$100,000 to reinstate this research at about 50 percent of its former level. This will permit the most essential features of this work to be continued. Such wholesaling and retailing research conducted by the Federal Government is the only means of enabling independent and small businesses to compete with the few large corporations which have the capability of satisfying their own needs for such research.

Also, the Department's planning studies of wholesale food markets in the larger urban centers of the country need to be continued and strengthened wherever possible. These studies, which have been completed or are underway in some 62 major cities throughout the United States, a list of which appears on page 236 of part 4 of the hearings, are making a significant contribution to the location, design, and operation of the new markets involved. This is of great benefit to the Nation's consumers by providing them higher quality food at lower costs.

The committee has also provided an additional \$100,000 for operation of the new Water Quality Laboratory at Durant, Okla. It appears uneconomical not to adequately staff this new laboratory, when it is in the public interest to keep current our water quality knowledge. Since agricultural and other chemicals are essential to our food supply, we must develop accurate and authentic data on this matter as rapidly as possible.

The committee calls attention to the fact that more pollution research can and should be undertaken at the National Sedimentation Laboratory, since the location and facilities available will enable the department to move ahead immediately. Operations at the Big Spring, Tex., Research Station should be continued at not less than the current level in the coming fiscal year.

A fund of \$50,000 has been included in the bill to enable the department to continue planning for the Soil-Water-Plant Research Facility at Ithaca, N.Y., and to initiate planning for the Akron, Colo. Soil and Water Research Center. If additional planning funds are needed for these purposes in the coming fiscal year they should be obtained by transfer from the Agricultural Research Service's contingency research fund.

An increase of \$300,000 is provided for the construction of a central refuse incinerator and modernization of other facilities at the Beltsville Research Center. Modernization and improvement of facilities, many of which are 30 years or more of age, is needed to protect the approximately \$50 million real property investment at the center.

The sum of \$360,000 is also recommended to undertake the construction of additional facilities at the Soil and Water Research Laboratory at Morris, Minn. The plans for this location, which were

funded several years ago, have been completed and construction is ready to proceed. It is important that the research on surface water pollution to be performed at this laboratory be gotten underway as soon as possible.

For plant and animal disease and pest control the committee recommends an appropriation of \$89,493,000 for the next fiscal year, an increase of \$2,853,500 over the 1969 appropriation and a decrease of \$1,683,500 in the revised 1970 budget request.

An additional \$250,000 is recommended for plant and animal quarantine inspection activities. The volume of foreign trade and travel continues to go up and is expected to increase in the future.

An increase of \$100,000 is included in the bill for cooperative activities with Central America on foot-and-mouth disease and rinderpest. The proposed increase would provide technical assistance, advice, and cooperative surveillance with the Central American countries and Panama. Working arrangements would be provided through the International Regional Organization for Plant and Animal Sanitation.

An additional \$49,500 is provided for expanded work to assure the safety and potency of veterinary biologics under the Virus-Serum-Toxin Act. The increase proposed would be used to contract for the preparation of new standards and reagents and the replenishing of existing standards and reagents. These testing materials would be used by the department and by licensees to evaluate veterinary biological products.

The committee recommends an increase of \$100,000 for expanded enforcement under the Federal Insecticide, Fungicide and Rodenticide Act. Under this act, the department seeks to protect the public from misbranded, adulterated, unsafe, and ineffective pesticide products. The primary tools to reach this objective include product registration, testing and enforcement of regulations. A recent report by the General Accounting Office cited the need for more effective action to remove violating products, to prosecute offenders, and to publish notices of judgment.

The committee has repeatedly urged the department to establish a factfinding team to look into reports of damages attributed to the use of pesticides and to determine the full facts. The department has agreed to do so. Since it is the responsibility of the department to test, register and monitor the use of pesticides, and since the production of food, its preservation, and its protection from contamination by humans, insects, and animals are dependent upon all forms of pesticides, the formation of this new unit is well justified and has the full support of this committee.

The sum of \$1,000,000 is provided to commence construction of a new animal quarantine facility at Fort Tilden, N.Y. The existing facility is virtually obsolete. Federal laws and regulations require the quarantine of all imported wild and domestic animals, including poultry, upon arrival in this country. Public Law 88-592, approved September 12, 1964, authorized the sale of the Department's

present animal quarantine facility at Clifton, N.J., to the city of Clifton for public purposes and the establishment of a new quarantine station in the New York-New Jersey port and airport area.

The committee, recognizing the danger to health and the cost of disease outbreaks, has also gone along with the increases of \$750,000 each proposed in the revised 1970 budget for the screw-worm and hog cholera eradication programs. The cost of providing the sterile screw-worm flies necessary to maintain the screw-worm barrier zone along the United States-Mexico border continues to increase due primarily to the rise in cost of media for the production of sterile screw-worm flies and the operation and maintenance of the aircraft for fly release operations. It is hoped that the additional funds will permit continuation of the program at the present rate, which is needed to keep this insect threat under control.

The 1961 legislation establishing the hog cholera program directed the Secretary of Agriculture to prohibit or restrict the interstate shipment of hog cholera virus as necessary to carry out the eradication program. Program procedures, adopted by the department and the States in 1962, recognized the need for such action and required removal of live virus vaccines for at least 1 year prior to recognition of any State as hog cholera free. The program schedule, adopted by Federal, State, and industry groups, calls for national eradication by the end of 1972. The current demand for removal of vaccines at the earliest possible time reflects recognition that the 1972 goal cannot be met, unless this action is taken in advance of that target date. When vaccines are withdrawn, some buildup of outbreaks of the disease can be expected. These outbreaks can be eradicated without return to the use of vaccines if sufficient indemnity funds are available for prompt depopulation of herds.

The committee has approved an appropriation of \$30 million for the nutrition aide program initiated last fall. This is in line with the latest budget recommendation and places existing programs on a yearly basis. Of this sum, \$7,500,000 shall be available for professional workers to promote 4-H type programs in the depressed areas of our cities. This program involves educational work among low-income groups to reduce the incidence of malnutrition, by providing homemaker aides who will use available information, knowledge and skills to teach needy people to utilize all resources toward the achievement of a more nutritionally adequate diet.

In this connection, the committee feels that full use should be made of the Nation's 3 million 4-H Club members to promote 4-H Club-type work with the youth of our towns and cities. The success of this program in rural areas has forcefully demonstrated the effectiveness of this approach. It may well be found that the most successful results from nutritional education of low-income families will come through work with the younger members of the family.

For conservation operations, the full budget estimate of \$118,786,000 is pro-

vided for this program for the coming fiscal year. The net increase of \$3,893,000 is provided to cover mandatory pay increases. Therefore, the amount recommended will provide the same level of funding as was available for fiscal year 1969.

A total of 19 conservation districts were formed in the 1968 fiscal year. Consolidations and changes in boundaries of 17 other districts resulted in the transfer of nearly 8 million acres between districts, and the addition of 15 million acres to 75 existing districts. The net increase of new territories brought into districts in 1968 was 15,971,628 acres. About 96 percent of the total farm and ranch lands and 99 percent of the farms and ranches in the Nation are now within the boundaries of conservation districts.

A total of 15 new soil and water conservation districts are expected to be organized in the 1969 fiscal year. Another 12 districts are projected for 1970. The formation of districts is nearing completion in most States. About 40 more districts are expected to be organized within the next few years.

For watershed planning, the full-budget request of \$6,209,000 is recommended for the next fiscal year. This will permit the program to continue at about the current year's operating level. The committee directs that not less than 100 new plans be started during the coming year.

For watershed works of improvement, a total appropriation of \$57,873,000 is proposed for fiscal year 1970. This amount, will provide the same funding level as established for fiscal year 1969, including supplemental funds to meet mandatory pay increases. For this program, the committee directs that not less than 80 new construction starts be undertaken in the next fiscal year.

For consumer protective, marketing and regulatory programs, the bill includes a recommended appropriation of \$130,867,000 for the next fiscal year, a reduction in the budget of \$4,387,200 and an increase of \$14,602,500 over current year funds.

The proposed closing or discontinuance of market news services has not been approved in view of the importance of these services to the Nation's agricultural industry, and the department is directed to retain these services. The small amount of funds involved could better be taken from the cost of other operations of the department in Washington. In the opinion of the committee, the need for timely and reliable market reports by farmers and agri-business to deal with increasing market pressures and ever-growing consumer demands for better food at lower prices makes these market news services increasingly essential. The offices and reports involved, which are to be continued in operation next year, are as follows:

Fruits and vegetables: Columbia, S.C.; Birmingham, Ala.; Louisville, Ky.; Hammond, La.; Southern Pines, N.C.; Richmond and Windsor, Va.; Florida City and Sanford, Fla.

Grain: Houston and Austin, Tex.; Cleveland, Miss.

Livestock: Ogden, Utah; Tulsa, Okla.; Memphis, Tenn.; Fort Smith, Ark.

Poultry: Lincoln, Nebr.; Charleston, W. Va.; Austin, Tex.; Baton Rouge, La. Naval Stores: Savannah, Ga.

Reports: National Weekly Peanut Report, Farmers Weekly Cotton Price Reports for North and South Carolina, Georgia, and Alabama; Monthly Cotton Linters Review issued in Memphis.

An additional \$10 million has been included for meat inspection activities. This will provide a total of nearly \$80 million for the coming year. The major portion of the increase will be used for grants to States under the Wholesome Meat Act of 1967. Grants were made to 18 States in fiscal year 1968 and it is expected that around 30 will be in the program by the end of the current fiscal year.

The committee has also included an increase of \$3 million for poultry inspection, which provides a total of about \$28.5 million for fiscal year 1970. With the passage of the Wholesome Poultry Products Act of 1968, almost all poultry and poultry products sold in the United States will be subjected to the same enforcement standards that hitherto have been required only of those plants engaging in interstate commerce.

This new legislation increases the responsibility of the Federal Government in the poultry inspection field by providing for technical and financial assistance to States for improving the quality of their poultry inspection programs. The act gives the States 2 years from the date of enactment—August 18, 1968—to develop inspection programs comparable to the Federal program. A possible extension of 1 additional year may be provided at the end of 2 years if a State has made significant progress in improving its program. However, if any State fails to develop a comparable program within the period provided by law, the Federal Government is required to take over inspection of all establishments engaging in the sale of poultry and poultry products in that State.

For child nutrition programs, the full budget request of \$311,766,000 is provided for fiscal year 1970, \$117,500,000 by direct appropriation and \$194,266,000 by transfer from section 32 funds. This is an increase of \$58,967,000 over funds available for the present year. The amounts included for each of the programs funded under this head, as compared to fiscal year 1969, are as follows:

	1969	Increase	1970 bill
1. Cash payments to States:			
(a) School lunch program.....	\$162,041,000	+\$6,000,000	\$168,041,000
(b) Special assistance.....	10,000,000	+34,800,000	44,800,000
(c) School breakfast program.....	3,500,000	+6,500,000	10,000,000
(d) Nonfood assistance program.....	750,000	+9,250,000	10,000,000
(e) State administrative expenses.....	750,000	-----	750,000
(f) Nonschool food program.....	5,750,000	+4,250,000	10,000,000
Subtotal.....	182,791,000	+60,800,000	243,591,000
2. Commodity procurement.....	64,325,000	-----	64,325,000
3. Operating expenses.....	2,661,000	+1,189,000	3,850,000
Unobligated balance.....	3,000,000	-3,000,000	-----
Total available or estimate.....	125,777,000	+58,989,000	311,766,000

¹ Excludes \$22,000 transfer to General Services Administration.

For the food stamp program, this program operates through normal channels of trade to provide food to families in economic need of assistance. Participants include those households receiving some type of welfare assistance—the aged, the blind, the disabled, and mothers with dependent children. Other low-income families also are eligible to participate even though they do not qualify, for a variety of reasons, for welfare aid. These are people living on small pensions, the unemployed, the underemployed, and the unskilled low-paid employed.

Participants exchange the amount of money they would normally spend on food for food coupons worth more. Under the Food Stamp Act, the purpose is to enable participants to improve their diets in both quantity and quality.

The bill carries an appropriation of \$340,000,000 for this purpose in fiscal year 1970, the full amount authorized for this program by present law. This is an increase of \$60,000,000 over funds available in fiscal year 1969.

The program will reach an estimated 3,630,000 participants, in some 1,550 project areas, by June 30, 1969, an increase of 1,218,000 participants over the June 1968 level. At the time the program will be operating at an annual rate of about \$325 million.

Section 32 funds are used to encourage the production of food by stabilizing prices and by the exportation and domestic consumption of agricultural products, and to contribute to stabilizing market prices either through announcements that the Department stands ready to enter the market, or by actual participation in the market. The extent to which funds actually will be obligated and expended, for perishables and other surplus removal programs, will depend upon the market situation which develops as peak marketing seasons approach. The type of program to be developed also depends upon the kind and volume of existing surpluses and the availability of potential outlets. Generally, surpluses are removed from the market through purchases, which are then donated to schools, institutions, and needy persons.

For the law to work, it is essential that the Department have on hand at all times sufficient funds to purchase price-depressing surpluses; otherwise we could well lose our fine foods and high standard of living by producers going out of business.

FUNDS IN BILL FOR MILK

The funds provided in this bill provide \$100 million for special feeding programs under section 32. The Department may

use as much of this as may be used for milk for needy children.

Also some 500 to 600 million additional meals will be served under the expanded school lunch, school breakfast, and other child nutrition programs for which an increase of \$59 million is provided in this bill. Each of these meals will include milk.

Further, the \$60 million increase for the food stamp program will increase milk consumption significantly.

In total, some \$174 million of additional funds are included in this bill for free and reduced cost food for needy people. Much of this will be used to provide milk for needy children.

The committee has approved the budget request for all of these programs to be certain that means are provided to care for the needs of those in this country suffering from malnutrition or hunger. The record shows that individual cases do exist despite public welfare programs and the efforts of this committee, Congress, and local charities. The committee points out that directives were issued in 1967 to meet the needs of especially needy persons and that last year \$50 million above the budget was provided with authority granted to the Secretary of Agriculture to locate hungry people anywhere in the United States and to provide them with free food where deemed necessary, taking into consideration such factors as age, income, employability, and so forth—clause 4b. It has been noted that special programs in several States have been established under this authority.

In view of continuous allegations of hunger, the committee must insist that the Secretary meet this responsibility by providing free food on an individual case basis wherever he finds and can certify that such hunger does in fact exist under such circumstances. If we are to reach those who may actually be hungry, the Department must locate such people and see that they are properly fed. Large, mass feeding programs such as proposed will never reach these isolated cases where people cannot participate in the food stamps, direct distribution, or special feeding programs because of illness, isolation, or ignorance.

The bill includes an appropriation of \$22,937,000 for the next fiscal year for the Foreign Agricultural Service, a decrease of \$1 million in the revised budget request for fiscal year 1970 and a net increase of \$1,395,700 over 1969. In addition, transfers of \$3,117,000 from section 32 and \$107,000 from CCC are approved.

The committee has funded the opening of a new agricultural post in Korea, which is a fast growing market for U.S. agricultural commodities, such as wheat, soybeans, barley and cotton. In total volume of commodities purchased, it ranks among the top nations in Asia. There is no other free world country with this volume of agricultural trade where the United States is not represented by an agricultural attaché. A great opportunity exists in Korea for an expanded market promotion program in cooperation with private trade groups and this opportunity should be pursued. Further, the lack of USDA representation at this important

post has been a serious handicap in obtaining adequate agricultural data. The total cost is expected to be \$80,000.

An increase of \$1,500,000 is recommended to expand the market development program for agricultural commodities. The additional funds will be used in part to mount a comprehensive 5-year export program which will parallel similar work underway for industry in the Department of Commerce. Agricultural export targets will be set up commodity by commodity on a 5-year basis in line with the 5-year industrial program currently being developed by the Department of Commerce.

Conservation practices under the agricultural conservation program are developed initially at the local level by ASC State and county committees, the Soil Conservation Service, and the Forest Service. Representatives of the land-grant colleges, the Farmers Home Administration, State conservation committees, and other State and Federal agricultural agencies also participate in these determinations.

The recommendations of these groups are used as the basis to formulate joint recommendations to the Agricultural Stabilization and Conservation Service in Washington. From these recommendations, the various agencies of the Department in Washington develop and recommend to the Secretary of Agriculture a national program. State and local people then develop their local programs within the structure of the national program approved by the Secretary. No practices are adopted and put into effect in any State or county unless approved by the local conservation groups.

As mentioned earlier, this program reaches in excess of 1 million farms each year and results in the application of the greatest amount of conservation measures to the land at the lowest cost per acre of any other similar program.

By continued emphasis on the establishment of long-term conservation practices, benefits go to nonfarm people as well as to farmers. The program attempts to get low income and other farmers who are lagging in the conservation effort to undertake significant conservation projects. Also an increasing proportion of its funds has gone for land treatment measures in watershed program areas and other rural areas development projects. For example, the following accomplishments were attained under the 1967 program:

First. Enduring-type practices received 87 percent of the cost-share funds.

Second. About \$15.1 million of ACP cost-sharing funds, involving 79,000 farms, went into 41 resource conservation and development project areas and 12 rural renewal program counties.

Third. About \$15.4 million of ACP cost-sharing funds, involving 69,000 farms, went into more than 1,200 Public Law 566 and pilot watershed program areas to advance land treatment measures in those watersheds.

Fourth. About \$5.1 million of ACP cost-sharing funds, involving 26,000 farms, went into the 11 flood prevention watersheds.

Within program authority for operations, a growing proportion of ACP cost-shares is being used for those conservation practices which conserve water and reduce water pollution—particularly those that reduce sediment—those primarily for wildlife conservation, and those which provide recreational and beautification conservation benefits. In 1967, wildlife conservation and conservation-beautification practices serving about 4.7 million acres were performed.

An appropriation of \$195,500,000 is recommended to make payments due under the program authorized in the 1969 agricultural appropriation bill. Amounts owed under that program are legal commitments and funds must be provided to meet all obligations incurred.

The committee also recommends that the advance announcement for the 1970 program be included in the bill at the \$195,500,000 level. In the opinion of a majority of the members of the committee, this program provides the best possible means for getting soil and water conservation practices applied to the land. It is the financial core for the nationwide conservation effort. The practices applied to the land under this program provide the land treatment phase of the conservation work included in all other programs, including the Public Law 566 small watershed projects, the flood prevention projects, the resource conservation development projects, and others. The elimination of funds for the ACP conservation practices would, therefore, require the addition of such amounts to the other conservation and watershed programs to enable them to continue their operations at current levels.

The restoration of this program to the 1969 level is essential, as heretofore noted, to prevent a drastic reduction in soil conservation technicians and ASC county committee employees. Testimony received from USDA officials indicates that the elimination of the ACP program would reduce 406 SCS technicians the first year, with the complete elimination during the next year of 1,020 technicians now located in SCS field offices throughout the country.

Further, such officials indicate that the elimination of the ACP program would affect a large number of the ASC county office operations. In addition to the probable closing and consolidation of some county offices, where ACP generates more than half the total workload, it would require the reduction of some 2,500 employees as follows:

	Man-years
Washington, D.C.-----	20
Data processing centers, management field office-----	11
State offices-----	164
Total Federal employment-----	195
County offices-----	2,300
Total -----	2,495

The full budget requests of \$320,000,000 for electrification loans and \$123,300,000 for telephone loans are included in the bill for the coming fiscal year. These amounts, together with unobligated funds which will be carried forward

from prior year authorizations, will provide total funds of \$345,000,000 for electrification loans and \$125,000,000 for telephone loans.

Power requirements of the REA borrowers continue to increase at a steady pace. During fiscal year 1968, consumers used approximately 56 billion kilowatt-hours of electricity. By 1980, consumption is expected to increase to an estimated 120 billion kilowatt-hours. Average monthly kilowatt-hour consumption by farm and residential consumers increased more than 28 kilowatt-hours during the past year, to a current average of 571 kilowatt-hours per month. At the end of fiscal year 1968, there were 5,929,361 consumers being served on REA financed lines.

The telephone program has been expanding at the rate of about 100,000 new subscribers annually. There is a continuing demand for the improvement of service by subscribers in rural areas. The development and economic well-being of rural areas urgently require that critical needs for efficient and reliable communications be met. Long-range economy in the use of loan funds to build these systems requires that they meet industry standards and provide service comparable to that in neighboring towns and cities.

Pursuant to the Consolidated Farmers Home Administration Act of 1961, a direct loan account was established in fiscal year 1962. Collections of principal and interest on loans outstanding are deposited in the direct loan account and are available for principal and interest payments on borrowings from the Secretary of the Treasury and for making additional loans for: First, farm ownership; second, soil and water conservation; and, third, operating purposes. Such loans may be made only in such amounts as may be authorized in annual appropriation acts.

The bill authorizes continuation of the loan programs financed under this account at the fiscal year 1969 level, as follows:

Real Estate loans (including farm ownership and soil and water loans) -----	\$83,000,000
Operating loans -----	275,000,000
Soil Conservation loans (watersheds, flood prevention, resource conservation and development) -----	4,900,000
Total loan authorizations -----	362,900,000

The committee has restored proposed budget reductions of \$13,400,000 for soil and water loans and \$25,000,000 for farm operating loans. The restoration of the 1969 level for farm operating loans is based on the urgent need for reasonably priced farm credit to enable the smaller farm producers to stay in business. The restoration for soil and water loan funds is directly related to the restoration of the 1969 level for the other soil and water conservation programs of the Department.

The committee recommends an appropriation of \$40,000,000 for rural water and waste disposal systems in the next

fiscal year. This amount is \$12,000,000 over the 1969 level and the revised 1970 budget. It is \$12,000,000 under the original request contained in the January budget.

The need to develop central water supplies and waste disposal systems in rural areas far exceeds the grant and loan resources available to the Farmers Home Administration. A priority system has been established to facilitate meeting the most urgent needs with the funds currently available. This increase will significantly assist in meeting such needs.

A recent survey indicates that as of March 1, 1968, about 1,500 rural counties will require Farmers Home Administration grant assistance to finance the preparation of comprehensive water and sewer plans. It is necessary that these plans be completed prior to October 1, 1971 for the area to be eligible for development grant assistance. An average of 18 months is needed to complete a plan. Therefore, if counties are to meet the October 1, 1971, deadline, a substantial number of the plans must be started in fiscal year 1970.

The size and scope of the various programs of the Farmers Home Administration have increased steadily through the years.

During 1970, the Farmers Home Administration will service an estimated \$5.3 billion of outstanding loans, an increase of \$820 million over 1969.

To meet this growth in administrative workload, the committee has included \$65,000,000 in the bill for 1970, an increase of \$6,770,000 over fiscal year 1969. These additional funds will cover mandatory pay increases and will provide an additional \$5,000,000 to meet increased program requirements.

The amounts recommended will finance an additional 1,590 man-years of personnel for next year. While this is not the full increase requested, it appears adequate to meet the most essential needs. Since qualified personnel are limited for this as well as other agencies of Government, the gradual expansion allowed by this increase seems to be the most realistic and reasonable approach to meeting the need for expanded services.

COMMODITY CREDIT CORPORATION

The Corporation was organized October 17, 1933, under the laws of the State of Delaware, as an agency of the United States, and was managed and operated in close affiliation with the Reconstruction Finance Corporation. On July 1, 1939, it was transferred to the Department of Agriculture by the President's Reorganization Plan I. On July 1, 1948, it was established as an agency and instrumentality of the United States under a permanent Federal charter by Public Law 80-806, as amended. Its operations are conducted pursuant to this charter and other specific legislation.

The Commodity Credit Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, food, feeds, and fibers. Its purposes include stabilizing, supporting, and protecting farm income and prices; assisting in the

maintenance of balance and adequate supplies of such commodities; and facilitating their orderly distribution. The Corporation also makes available materials and facilities required in connection with the production and marketing of such commodities.

The Corporation is managed by a Board of Directors appointed by the President and confirmed by the Senate, subject to the general supervision and direction of the Secretary of Agriculture, who is, ex officio, a Director and Chairman of the Board. In addition, it has a bipartisan Advisory Board of five members appointed by the President to survey the general policies of the Corporation and advise the Secretary with respect thereto.

Personnel and facilities of the Agricultural Stabilization and Conservation Service, ASC State and county committees, and other USDA agencies are used to carry out Corporation activities.

The Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion. Funds are borrowed from the Federal Treasury and may also be borrowed from private lending agencies. In addition it received funds from repaid loans and the sale of commodities. In connection with loan guarantees, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by lending agencies or certificates of interest issued in connection with the financing of price-support operations. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the act of March 8, 1939—15 United States Code 713a-4.

Public Law 87-155—15 United States Code 713a11, 12—authorizes appropriations to reimburse the Corporation for net realized losses previously incurred. The appropriations provided under such authority, therefore, must represent prior year losses actually reflected in its accounts and shown in its reports of financial condition.

The bill includes a total appropriation of \$4,965,934,000 to restore capital impairment incurred in previous years, as follows:

Balance of 1961 inventory re-valuation -----	\$57,047,170
Full reimbursement of 1967 losses -----	2,210,668,971
Partial reimbursement of 1968 losses -----	2,698,217,859
Total appropriation----	4,965,934,000

If necessary to perform the functions, duties, obligations or commitments of the Commodity Credit Corporation, administrative personnel and other serving the Corporation shall be paid from funds on hand or from those funds received from the redemption or sale of commodities. Such funds shall also be available to meet program payments, commodity loans, or other obligations of the Corporation.

For Public Law 480, the bill carries a total of \$900,000,000 for the next fiscal year, \$400,000,000 of which is for title I sales for foreign currencies and for dol-

lars on credit terms, and \$500,000,000 is for title II donations abroad. Approximately \$200,000,000 of the latter amount is provided to fund 1969 costs, leaving the balance of \$300,000,000 for fiscal year 1970 shipments.

In addition, an estimated \$361,000,000 will be available during the next fiscal year from sales of foreign currencies and carryover of unused 1969 funds. This will make available \$1,261,000,000 for fiscal year 1970.

The amounts provided in the appropriations are not fully controlling since the basic law permits the Government to enter into agreements involving expenditures which must be financed from subsequent appropriations. On the other hand, if funds appropriated are in excess of amounts actually used in a particular year, such amounts are applied against current year's costs and reduce the subsequent appropriations required.

In closing, it should be pointed out that the committee has included a new section under general provisions which would exempt the Department from the personnel limits under section 201 of Public Law 90-364. Section 510 of the bill would exempt all positions of the Department from section 201 of Public Law 90-364 except the Forest Service which is not covered by this act. However, those positions in the Forest Service which are financed from appropriations in this act—such as flood prevention and watershed works of improvement—would be exempt by section 510. Under this section, the employees of a milk marketing administrator who are paid from fees charged milk handlers, and all other activities paid from funds provided in this act, would be exempt from the provisions of section 201.

This language is necessary to permit the Department to employ the additional employees funded in this bill for meat and poultry inspection, the food stamp and child nutrition programs, and the Farmers Home Administration activities.

Also, it should be noted that the committee has included language in the bill to permit the Secretary, if he finds it necessary, to use up to \$250,000 of funds in the Department's working capital fund to carry out activities under the Civil Rights Act of 1964. This would be in addition to the slightly more than \$300,000 available in the appropriation for general administration. To the extent that the working capital fund is used for this purpose, it is expected that the fund would be reimbursed from applicable appropriations available to the agencies of the Department which have responsibilities under this act. On this basis the capital of the fund would not be impaired.

Mr. CONTE. Mr. Chairman, the gentleman from Mississippi is making a very important statement, and I think there ought to be more Members here to listen to him. Therefore, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Eighty-three Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 62]

Abbitt	Dwyer	Miller, Ohio
Adams	Eckhardt	Mollohan
Albert	Edwards, La.	Monagan
Anderson,	Erlenborn	Montgomery
Calif.	Evins, Tenn.	Moorhead
Ashbrook	Fallon	Morton
Ashley	Feighan	O'Neal, Ga.
Ayres	Fish	Ottlinger
Bates	Fisher	Pelly
Beall, Md.	Foreman	Pepper
Bell, Calif.	Gallagher	Podell
Berry	Gettys	Pollock
Biaggi	Gialmo	Powell
Bingham	Gilbert	Pryce, Tex.
Blackburn	Goldwater	Prior, Ark.
Blanton	Grover	Randall
Blatnik	Halpern	Rees
Brock	Hanley	Reifel
Brown, Calif.	Hanna	Rivers
Burleson, Tex.	Hansen, Wash.	Ronan
Cahill	Harsha	Rosenthal
Carey	Hébert	Roudebush
Carter	Heckler, Mass.	Roybal
Casey	Helstoski	St. Onge
Chisholm	Hunt	Sandman
Clark	Jacobs	Scherle
Clausen,	Joelson	Scheuer
Don H.	Jones, N.C.	Shriver
Clawson, Del	Kirwan	Smith, Calif.
Cleveland	Kleppe	Smith, N.Y.
Collier	Kluczynski	Stafford
Colmer	Koch	Stephens
Conyers	Kyl	Stratton
Corbett	Landrum	Symington
Corman	Latta	Taylor
Cowger	Long, La.	Teague, Calif.
Cunningham	Lowenstein	Teague, Tex.
Davis, Ga.	McCarthy	Thompson, Ga.
Davis, Wis.	McClary	Watts
Dawson	McClure	Whalley
de la Garza	McDonald,	Widnall
Dellenback	Mich.	Wiggins
Dent	Macdonald,	Wilson, Bob
Dickinson	Mass.	Wold
Diggs	Mann	Wyman
Dowdy	Martin	Young
Dulski	Miller, Calif.	

Accordingly the Committee rose; and the Speaker pro tempore (Mr. FASCELL) having assumed the chair, Mr. WRIGHT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 11612, and finding itself without a quorum, he had directed the roll to be called, when 296 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the gentleman from Mississippi (Mr. WHITTEN) had 3 minutes remaining of the time he had allotted to himself.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. WHITTEN. I yield myself 2 additional minutes.

Mr. PERKINS. Mr. Chairman, I certainly wish to compliment the gentleman from Mississippi (Mr. WHITTEN) for a tremendous job, but as I understand the report, if I understand it correctly, on page 40, under "Commodity procurement," you have \$64,325,000. I am unable to tell whether that is taken from section 32 or from the Agricultural Adjustment Act. Now, on page 41 you take that same item down there in the chart where it says, "Child Nutrition Programs" and last year you have \$64,325,000 and you jump it up to \$194,266,000 for fiscal 1970. The discrepancy in my mind is this: I am wondering where is the \$93,800,000 that was transferred in fiscal year 1969 from section 32 for the procurement of commodities for the school lunch program. That is what I cannot reconcile.

Mr. WHITTEN. I am afraid I have not followed completely the gentleman's question. Later in the debate I will be glad to answer him, but, first, I would like to see the figures he is using.

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kentucky.

Mr. NATCHER. Mr. Chairman, in answer to the question of my colleague, the gentleman from Kentucky (Mr. PERKINS), I believe if the gentleman will examine page 41, and the table that appears at the bottom of the page, the gentleman will find under "Transfers" the heading "Child Nutrition Programs" and the gentleman will see a figure of \$194,266,000. The figure that the gentleman has directed to the chairman of our subcommittee is incorporated in and is a part of that overall figure.

Mr. PERKINS. Mr. Chairman, if the gentleman will yield further, the \$64,325,000, then, is not transferred from section 6 of the Agricultural Adjustment Act?

Mr. NATCHER. It is transferred from section 32.

Mr. PERKINS. Now, where is the \$93,800,000 item that was transferred from section 32 for fiscal year 1969?

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. WHITTEN. Mr. Chairman, I yield myself 1 additional minute.

The CHAIRMAN. The gentleman from Mississippi is recognized for 1 additional minute.

Mr. WHITTEN. That must be a transfer from section 32 last year for the purpose of purchasing commodities. We have made no changes in or deletion of any transfers to the school lunch programs from section 32.

Mr. PERKINS. I make the point that that item last year somehow is deleted from these charts where we had the \$93,800,000 transferred from section 32 for the purpose of purchasing commodities and for the school lunch program.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired. The gentleman from Mississippi has consumed 18 minutes.

Mr. LANGEN. Mr. Chairman, I yield myself 10 minutes.

(Mr. LANGEN asked and was given permission to revise and extend his remarks.)

Mr. LANGEN. Mr. Chairman, the distinguished chairman of our subcommittee, the gentleman from Mississippi (Mr. WHITTEN) has once again given us an outstanding and concise explanation of the provisions in the bill now before us. This is my first opportunity to lead the consideration of this bill for my side of the aisle having succeeded the distinguished gentleman from Illinois (Mr. MICHEL) who has moved to the ranking position on another subcommittee. He has served as the ranking minority member of this subcommittee since 1965. During the past 4 years, he has been the minority's leader in developing this annual agriculture appropriations bill. I certainly attach great value to the guidance and counsel he has given to me

and the other members of this subcommittee. I am pleased to say that he has remained a member of this subcommittee and continues to apply his considerable knowledge and his attention to the problems that confront us.

I would like to call to the Members' attention the committee report which accompanies this legislation. This excellent document, which was prepared by the committee and its staff under the direction of the distinguished gentleman from Mississippi (Mr. WHITTEN), contains a great deal of valuable information on the fantastic job that is being done by American agriculture in supplying the Nation's, and indeed the world's, demands for food and fiber. Also, it graphically demonstrates the increasingly precarious economic condition of rural America.

I also note with deep regret that this is the last agriculture appropriations bill debate at which Ross Pope will serve at our chairman's side. Since coming to the committee in 1949, Ross has fulfilled the difficult role of committee counsel with great ability, prompt efficiency, and unstinting regard for those who have had the opportunity to work with him. He has been always helpful when we went to him for advice, assistance, or knowledge. I am certain that I am not alone when I say that I shall miss him very much.

The committee is doubly distressed with the impending departure of Carl Schafer, the subcommittee's staff assistant. Although he has been here only a short time, all of us have been impressed with his energy, desire for hard work, and quick grasp of the difficult material with which the committee must deal.

Mr. Chairman, this bill provides \$6,806,655,000 in new obligatory—budget—authority for the Department of Agriculture in fiscal 1970. In line with the necessity for keeping a tight lid on expenditures this year, we have reduced the obligatory authority for the Department by \$160,907,050 from President Nixon's revised budget request of \$6,967,562,050. Once again, I take pride in the fact that we have kept expenditures down to the lowest level prudent in the face of increasing demands on our fiscal resources and the necessity to restore balance to our economy. As I stated last year when we were considering the agriculture appropriations bill under similar economic circumstances, "By this appropriation bill, agriculture is making more than its full share of contribution toward a solution of the fiscal crisis. This is only typical of the generous manner in which agriculture has always responded to any and all of the crises that have confronted this Nation over the years, during both war and peace." I feel that statement is equally appropriate today.

In considering the budget requests submitted for the Department of Agriculture, we have attempted to meet the needs of that Department for the coming fiscal year. There can be no doubt there are enormous tasks confronting the Department of Agriculture—providing for the production of sufficient food and fiber to meet our country's needs as well as assisting other countries in meeting their

needs, feeding the Nation's hungry and malnourished, inspection of foods for poultry, soil and water conservation, agricultural research to improve the quality and quantity of food and fiber produced on U.S. farms, disease and pest control, supervision of stockyards and packers, and regulation of commodity exchanges are a few of these tasks—and they will require the expenditure of substantial sums of moneys.

Surely, there can be no doubt in the mind of anyone who has the slightest acquaintance with the agricultural situation that our farmers are in trouble. The parity ratio is currently 73; the same distressingly low level it was at last year. Farm debt continues to increase while farmers are forced to pay record high interest rates. The Department of Agriculture predicts that even though farm production and prices will increase this year, increasing production costs will consume all of this additional income, leaving the farmer with approximately the same net income he received last year. True, net income per farm will increase this year but this is accounted for by the decline in the number of farms producing food and fiber for the American consumer.

Furthermore, it should be clear that each of us has a vital stake in the restoration of agriculture to a healthy condition. It is by far the largest industry in the United States—its 5 million employees are more than the combined total employment in transportation, public utilities, steel, and the automobile industry; agriculture's assets of \$298 billion equal two-thirds of the value of the current assets of all U.S. corporations. Farmers purchase nearly \$48 billion in goods and services a year. Agriculture gives the American consumer the best bargain we have ever known—he can purchase all of his food for only 17.2 percent of his disposable income of which the farmer receives only 5 percent. In more concrete terms, 1 hour's factory labor bought 2.6 pounds of round steak in 1968 compared with 1.5 pounds in 1948. It bought 13.4 loaves of bread in 1968 compared with 9.6 in 1948. Obviously, the constituents of every Member has an interest in seeing that this bill is approved.

In addition to benefiting the entire country by serving the legitimate needs of agriculture, the USDA provides many services directly to the general public. In fact, over one-half of the Department's budget is allotted to programs that directly benefit the general public.

An additional point in this regard is that some of the programs originally designed to benefit farmers have been expanded to include services that directly benefit the general public. Both the Extension Service and the 4-H programs have been taken into urban areas and used to assist ghetto residents. For example, the nutrition aid program, which was initiated last fall in the Extension Service, has received the committee's approval for a \$30 million appropriation in this bill. This program involves professional personnel working directly with low-income groups to reduce the incidence of malnutrition by assisting them

in acquiring the necessary knowledge and skills to maximize their available resources toward obtaining a more nutritious diet. A substantial portion of this program will be directed to urban areas as well as rural areas.

This is another indication of the extent to which the Extension Service and rural America provides a great contribution to the well-being of the entire Nation. It is encouraging to note that such programs as the 4-H program has been recognized for its great contribution to the youth of our Nation and is now being expanded to include urban areas. This expansion, I am sure, will prove to be most beneficial in meeting many of the problems today prevalent throughout the cities.

The effort to feed the hungry in our Nation has deservedly become a priority matter. President Nixon's message on hunger and malnutrition in America to the Congress, which calls for an additional \$1 billion for the food-stamp program, certainly deserves our attention and study. In this bill, we have provided an appropriation of \$340 million for the food-stamp program which is the total amount authorized by current legislation. In order to appropriate more funds, there must be an additional authorization.

It is probably not a widely known fact that the free food stamp program was initiated by the Agriculture Subcommittee in fiscal 1968 under the leadership of the gentleman from Mississippi (Mr. WHITTEN). I am certain he must take a great deal of pride in the progress and promise demonstrated by this worthwhile program in the 2 years it has been in existence.

Mr. Chairman, I feel that it is vital that each Member be aware of how important each of the programs, operated by the Department of Agriculture, that are covered in this bill is to every citizen. Agriculture is the base on which our society has been able to build the magnificent, complex economic structure we have today. Our industry and commerce that are able to supply us with a fantastic array of consumer and industrial goods would not be possible without the American agricultural system which provides an ever-increasing supply of inexpensive and high quality food and fiber. Agriculture is truly the Atlas on which our rich and diverse economy rests.

Without the programs funded by this bill, this Atlas would surely wither and collapse, bringing down the rest of the economy with it. In order to have a strong, vibrant agriculture, we must have a price structure for farm products that will provide a fair and profitable return on the farmer's investment. We must have the conservation programs that will preserve our productive capacity for the future. We must have the research that will enable us to eradicate the diseases and pests that afflict our crops and develop the new varieties of food and fiber capable of meeting our continuously expanding demands for these products. I strongly urge every Member to read pages 13 and 21 of the committee report on this bill. The information contained there clearly and strongly demonstrates the importance of this work for the survival

of a strong and stable agriculture. This bill will enable the Department of Agriculture to carry on these tasks which are vital to agriculture and to all of us.

I appreciate the importance of the Department of Agriculture's tasks in distributing food to the needy as keenly as the next man. I am confident that my colleagues on the committee also appreciate the importance of these tasks. We have funded these programs to the fullest extent possible given our current fiscal and economic condition. I know that everyone is aware that our failure to insure an adequate diet for all of our citizens is not due to agriculture's failure to produce sufficient quantities of good, healthy foods. Rather, the failure is in the distribution of this abundant food supply. Obviously, we must continue the work toward perfecting our food distribution methods.

However, to achieve this, we dare not sacrifice the programs which seek to maintain the productive capacity of agriculture. For if we do, we may achieve the ability to fully distribute our food production; but we will surely have destroyed our capacity to produce the food necessary to feed our and the world's ever-growing population. This bill attempts to provide to the best of our ability the necessary means to achieve these vital goals—a healthy agricultural industry and the distribution of the abundant fruits of this industry to every citizen in amounts adequate to supply a nutritious diet.

AGRICULTURAL RESEARCH SERVICE

The Agricultural Research Service is the primary research arm of the Department of Agriculture. The Service conducts research in the following major categories: farm research, utilization research and development, nutrition and consumer use research, and marketing research. It carries out emergency programs for the control and eradication of animal diseases and for the control of outbreaks of insects when necessary. Additionally, the Administrator of ARS is in charge of coordinating all research of the Department.

This bill includes an appropriation of \$130,182,000, plus a transfer from section 32 funds of \$15,000,000 for fiscal 1970. Although this is a decrease of \$449,300 in the revised budget estimate, it is an increase of \$1,063,700 over funds available in the current fiscal year.

Included in the increase is an additional \$100,000 for food and nutrition research which will enable the Department to update its handbook on nutrition "Family Fare." Also included is \$100,000 to reinstate the wholesaling and retailing research program which was discontinued last year.

In order to begin promptly the important task of surface water pollution research, we have included \$360,000 to construct necessary additional facilities at the Soil and Water Research Laboratory in Morris, Minn.

In order to assist in the prevention of serious disease outbreaks in the future, the committee supports the requests in the revised 1970 budget of an additional \$750,000 each for the screw-worm and hog cholera eradication programs.

Of interest to many Members of the House who have expressed their interest to me is the inclusion of \$40,000 to undertake a statistical reporting service for the mink industry. The problems of the mink industry in recent years have been most difficult and this service should be of some help to them in coping with the same economic and supply problems in the future.

SOIL CONSERVATION SERVICE

The Soil Conservation Service is responsible for the soil and water conservation activities of the Department of Agriculture. It provides professional leadership in soil, water, and plant conservation, working directly with locally managed soil conservation districts and sponsors of watershed projects. The Service also provides technical services for the agricultural conservation program; the soil and water conservation loans made by the Farmers Home Administration, and other groups having soil or water conservation problems.

Our committee has provided the full budget estimate of \$118,786,000 for SCS for the coming fiscal year. The amount recommended will provide the same level of funding as was available for the current fiscal year since the net increase of \$3,893,000 is needed to cover mandatory pay increases.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

The Agricultural Stabilization and Conservation Service is the action agency of the Department of Agriculture. As noted in the committee report beginning on page 44, it is responsible for operating the following programs: production adjustment programs for designated basic commodities, the Sugar Act program, the agricultural conservation program, the cropland adjustment program, emergency conservation measures, the conservation reserve program, and the milk indemnity payment program. Additionally, the personnel and facilities of the Service administer the price-support and related programs that are financed through the Commodity Credit Corporation.

This bill provides \$209,903,000 for the administrative and operating expenses of the Service's various programs, \$147,420,000 of this amount is provided by direct appropriation; and \$62,483,000, the balance, is authorized to be transferred from the Commodity Credit Corporation to cover the operating and administrative costs of the Corporation's programs if necessary. This amount is an increase of \$6,107,500 over fiscal 1969's level of funding. This increase consists of \$4,107,500 for pay increases and \$2,000,000 to establish a contingency reserve for CCC administrative expenses.

Meriting special attention is the agricultural conservation program—ACP—which the committee recommends be restored to the 1969 level of \$195,000,000. The elimination of funds for ACP would require the addition of such amounts to the other conservation and watershed programs if we are to maintain our commitment to conserving our natural resources. This program provides the best possible means for getting soil and water conservation practices applied to the

land. I would also point out that enduring-type practices receive 87 percent of the program's cost-sharing funds.

RURAL ELECTRIFICATION ADMINISTRATION

This bill provides for loan authorizations of \$320,000,000 for electrification loans and \$123,300,000 for telephone loans; these are the full amounts requested in the budget. By including unobligated funds which will be carried forward from prior year authorizations, there will be a total of \$345,000,000 available for electrification loans and \$125,000,000 available for telephone loans.

FARMERS HOME ADMINISTRATION

The expanding role of the Farmers Home Administration has probably caused that title to become a misnomer. In addition to making and insuring loans on farm homes, FHA's activities include: direct and insured farmownership loans, direct and insured soil and water conservation loans, direct operating loans, direct emergency loans, watershed and flood prevention loans, planning grants for water and sewer systems, grants for water and sewer development costs, direct and insured loans for rural rental housing, technical assistance and direct loans for rural renewal activity, insured farm labor housing loans, and direct resource conservation and development loans.

The committee has included an additional \$25,000,000 for farm operating loans above that requested in the budget. This will enable that program to continue at its current level of \$275,000,000. In 1950, farm debt totaled \$12.4 billion. In 1960, it was \$24.8 billion. Today, it is \$55.4 billion. Farm debt has truly become a staggering burden for agriculture to carry. With today's extraordinarily high interest rate, the farmer is forced to devote an inordinately large percentage of his income to servicing this debt. Consequently, there is an urgent need for reasonably priced farm credit that will enable many farmers to remain in agriculture.

COMMODITY CREDIT CORPORATION

The appropriation is \$4,965,934,000 for the Commodity Credit Corporation recommended by the committee is strictly for the restoration of capital impairment incurred in previous years. Coupled with the \$1,000,000,000 for CCC that was included in the first supplemental agriculture appropriation bill earlier this year, this amount should enable the Corporation to fulfill its obligations for the coming fiscal year and still maintain an adequate reserve.

With the continuing inflationary pressures now present in the economy, it is clear to everyone that we have not yet escaped the possibility of a truly staggering financial crisis. Not only must we do everything possible to avoid this potential crisis, but we must also recognize that the current condition of the Nation's economy is intolerable over a sustained period of time. It will not be enough to merely make the adjustments that enable the Government to avoid devaluing our currency, as occurred in Great Britain in the fall of 1967 or the country to avoid a spectacle similar to that which occurred in France in the spring of 1968. We have to take the hard

steps that will end the slow but constant hemorrhaging that is affecting each of us today. I am probably being too mild when I described the extent of inflation as being a slow but steady drain on the economy. Certainly more and more of our fellow citizens are becoming aware of its impact on their lives, and those residing in the Seventh District in Minnesota are letting me know that it is time to bring this situation to an end.

Certainly no group in our economy is more sensitive to the impact of inflation and has a greater interest in seeing it brought under control than the farmers. Historically, they have been the first and the chief victims of inflation. It is one of our chief cliches to refer to the 1930's as the "Great Depression." However, I would remind the Members that in rural America, we also include the 1920's when we refer to bad times in years past. In rural America, we tend to cringe when someone says, "A little inflation is a good thing."

Recognizing the need for drastic action to bring an end to inflation, the House last week approved an expenditure ceiling of \$192.6 billion for fiscal 1970. This figure is identical to the amount requested by President Nixon after he reduced the Johnson budget requests by \$4.2 billion. I note that within the \$4.2 billion reduction, the \$177 million reduction for the Department of Agriculture is surpassed only by the reductions for the Department of Defense and the Department of Housing and Urban Development.

Hopefully, this step we have taken, plus additional efforts by the Nixon administration, the Federal Reserve Board, and by ourselves to conduct our fiscal and monetary affairs prudently, will enable us to bring an end to the current inflationary state of the economy.

In concluding it is my opinion that your committee has done its best to provide sufficient funding of all of the essential activities of the Department of Agriculture. It has directed its concerns particularly to the immediate needs of farm folks and rural America. It has given high priority to programs and services that sustain farm income as well as maintaining the production capacity of the agricultural industry. It is most essential that we do not deplete the greatest natural resource that has been the great fortune of American citizens during all of this Nation's history. Equal attention has been directed to the food needs of the many unfortunates throughout the Nation who have experienced great inadequacies in this regard during recent years. It is my opinion the committee's judgment is well founded and I can heartily recommend this appropriation bill as it is now before you for your approval.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I am glad to yield to the gentleman for a question.

Mr. PERKINS. I agree with what the gentleman is saying, but I wonder whether he feels that the special milk program is of such great importance that it should have a special appropriation—or whether he feels the extra \$58 million that has been added to the other chil-

dren's food programs will reach the schoolchild. How does the gentleman feel about that?

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. LANGEN. Mr. Chairman, I yield myself 5 additional minutes.

Let me respond very briefly to the gentleman. I know of his great interest in the school milk and lunch program and I share that interest with him.

The committee has tried its best to provide funds so that milk will be available throughout the extended program. It is mandatory that every lunch will be accompanied by a half pint of milk.

In addition to that, we have extended the other programs both in and out of the school so that these programs will continue during the summer and the money has been provided for milk so that it should be available until September. Milk has been designated as being a part of all these programs. Let me say this, quite obviously, milk becomes a part of the nutrition food programs.

So in view of that, it would seem that the objective of including milk in the nutrition program, has been provided for in this appropriation bill.

Mr. PERKINS. If the gentleman will permit one additional question, why in the fiscal year 1969 do we have \$104 million transferred from the section 32 funds for the special milk program and this year there is nothing appropriated or transferred for the special milk program. Am I correct in that statement?

Mr. LANGEN. That is correct.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I yield to the gentleman from Mississippi, the chairman of our committee.

Mr. WHITTEN. I would like to point out, in answer to the gentleman from Kentucky, that the committee has always supported the need for milk and its value in schools. But it was the feeling of the committee, or a majority of the committee that we were providing the milk. We, in this bill, have provided funds—\$100 million—for special feeding programs under section 32, and which is available for the purchase of milk, along with other commodities. Also, the bill provides for from 500 to 600 million additional meals which will be served under the expanded school lunch, school breakfast, and other child nutrition programs, for which an increased amount of \$59 million is provided in the bill. Each of these meals will include milk.

In addition the \$60 million increase provided for the food stamp program will increase milk consumption significantly.

In total, some \$175 million of additional funds are included in this bill for free food for needy people. Much of this will be provided in the form of milk for needy children.

It was my idea that in this enlarged program, in which milk will be included, the milk consumption level would be, at least, at the present level. This still leaves section 32 funds available to buy milk in surplus, as the act provides. So we have not excluded milk. We have just put it together with the other foods because

there was some criticism that we were giving as much of a refund on a half pint of milk as would be given on a whole lunch. I am of the opinion that milk is provided for in this bill to the same degree it has ever been. It is simply not set off to the side, in a special amount, and there is money left in section 32 to purchase milk in the event there is a surplus.

Mr. LANGEN. The chairman has stated the case very well. As he has said, under the program there might well be not only an equivalent amount of milk available but an increased amount of milk.

Mr. ZWACH. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I yield to my colleague from Minnesota.

Mr. ZWACH. Mr. Chairman, I wish to compliment my colleague from Minnesota, and especially the chairman and the members of this subcommittee, for pointing out what I consider to be of tremendous importance in this report. How fortunate we are in America that we are talking about the great blessing of abundant food. How fortunate we are that we and all of our constituents do not need to worry about food, as do so many people throughout the world. How fortunate we are that we have the greatest bargain in food in the history of the world. Only 5 cents out of a dollar of income of our people in our country is spent for food to the producer today. Never in the history of the world have we had such a record.

I also want to compliment the subcommittee for pointing out the importance of the fight on hunger. I just want to say to the gentleman, as he knows, the producers of America are interested in feeding America and in feeding the world. They are interested in seeing food used. You are taking that kind of a step. You are also concerned about natural resources, so that we will exercise a wisdom and a foresight that we will always be blessed with an abundance of food.

I think this is a marvelous report and it is of tremendous significance to America today.

Mr. LANGEN. I thank the gentleman for his kind and appropriate comments. We know about his work and concern as it relates to agriculture. Surely his remarks are commensurate with the great endeavor he exerts in this Congress every day.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's yielding.

Mr. Chairman, I would like to pay tribute to the Appropriations Committee for its recognition of the need for reliable data in assessing the volume of domestic milk production by providing funds for the Statistical Reporting Service to begin compiling such data. Such statistics are vital to an industry which has of late been plagued with decreasing prices and a dramatic attrition of domestic ranchers. If we are to be able to make necessary decisions regarding the effect of imports and other factors on the industry, and to

formulate ways to preserve a strong, vital milk industry in the United States, we must have adequate statistics. Again, I want to thank the members of the committee for their foresight.

Mr. LANGEN. May I respond to the gentleman by saying that the committee was pleased to be able to respond in this manner, and it was only because of the very effective interest that was presented to us by those like the gentleman from Wisconsin and the many other Members who recognized the problems of the milk industry. I hope this will provide an answer to a part of their problem.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I yield to the gentleman from Minnesota.

Mr. NELSEN. Mr. Chairman, I thank my colleague for the fine presentation he has made.

I might add that to some degree I am disturbed about the reference to the school milk program as set forth in the report. However, I am pleased to hear the report of the chairman of the committee that it is the intention that funds will be made available through other means to actually duplicate if not exceed the previous expenditure for the school milk. I do think this is a very important objective and one we certainly endorse.

Again I thank the gentleman for his very fine statement.

Mr. LANGEN. I thank the gentleman from Minnesota for his comment.

Let me call also to the attention of the gentleman that during the course of the hearings and in the report the committee consistently expressed its concern for the use of milk throughout the lunch programs in the schools.

Mr. CONTE. Mr. Chairman, I think the gentleman from Minnesota (Mr. LANGEN) is making a very excellent statement. I think we should have more Members here to hear the gentleman. Therefore, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

103 Members are present, a quorum.

The Chair recognizes the gentleman from Minnesota (Mr. LANGEN).

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, I appreciate the gentleman yielding. I commend him on the statement he has made in the well of the House.

Mr. Chairman, I appreciate the work the committee has done and the excellent report they have given us as Members concerning the differentiation between nutrition, starvation, hunger, and even parasitic diseases, some of which have been portrayed to the public as a travesty on the truth.

Mr. LANGEN. I thank the gentleman for his kind and timely comments.

Mr. HALL. Mr. Chairman, the agricultural conservation program restored in this bill, is one of those "quiet programs" that go on year after year and actually accomplishes a lot for the investment involved. No one is more anxious to curtail

unnecessary expenditures than I. But we must not make meat-ax cuts or forget our priorities. Too many administrations have done so, knowing full well the Congress would restore them to the bill in these self-help areas.

It is perfectly obvious that many Congresses have thought this was a good program. In 1936 the Soil Conservation and Domestic Allotment Act was passed and what we now know as "ACP" was funded at \$500 million. To those whose only concern is cutting back all programs as much as possible, let me make it very clear that if all other programs had taken their proportionate cuts that ACP has in every economy drive, we would not be faced with the budgetary pressures we have today. From \$500 million it was scaled down to \$250 million over the years and then to \$195.5 million 2 years ago when the 10 percent across-the-board cut was made.

Before considering the funding of this program further, let us look at what it is doing. Each farmer of the Nation may cooperate with his Government in a 50-50 partnership on carrying out long-range conservation practices. There are more than 40 practices in the Nation and last year about a million farmers participated. The average payment was about \$210 and no farmer can receive more than \$2,500. Certainly this is not a get-rich scheme for farmers nor is it much of a farm subsidy. It seems to me it comes closer to being a consumer subsidy. Here we have a program—and the record is full of the accomplishments both nationally and by States, so I will not quote a large number of statistics—impressive as they are—which quietly go on year after year holding the soil in place and replenishing depleted minerals.

In this day when every man is aware of the extent of hunger abroad and here at home, it is not just the scholars who know that India, China, and other nations did not take care of their soil. And the man in the street is becoming aware that in just a few short years the population explosion is going to put great pressure on all civilization to feed the world's people. So, how in good conscience can we even consider doing away with a program that has reached more farmers, brought about more conservation and done it relatively inexpensively, than any other ever devised by man? Let me point out this is being done for less than \$1 per person. That is little enough to spend to insure the consumer of adequate reserves to feed him, his children and grandchildren.

As I said, in a real sense, this is a consumer subsidy, because if our foodstuffs get in short supply, it is not going to be the farmer who goes hungry, but the man in the city. The farmer has long emphasized the quality of nutritious products to the consumer. With the middle men, we have come to call it agribusiness.

There is another consumer hidden benefit in this agricultural conservation program. Dr. J. B. Peterson, head of the Department of Agronomy at Purdue University has written a very fine article which some of you may have seen.

As a doctor of medicine I have long been aware of the value of calcium to the entire human system. While the layman realizes that calcium is vital for good teeth and bone structure, few fully realize that the nervous system, blood and muscles all require sizable amounts of calcium—in fact more than any other single element—for proper growth and proper functioning, clear through maturity.

Dr. Peterson spells all this out in great detail but I shall not go into it further at this time. But how do we get this calcium? Nearly everyone knows that milk is the best source. But there are other ways of getting it. And the ACP has done more than anyone realizes to play a most significant role in our national health.

While Congress passed the Soil Conservation and Domestic Allotment Act in 1936 to accomplish what its name implies, "conservation of soil," this act has done a great deal more.

In the humid area of our country, the growth of clovers and alfalfas is one of the best conservation measures possible. But to do this the soil must be as near neutral as possible. Prior to 1936, the use of agricultural limestone varied from 1 to 3 million tons a year. In the 1940's, the use of this material had reached 30 million tons a year—to grow clovers and alfalfas because of the stimulus of the ACP. But what is agricultural limestone? It is a calcium carbonate— CaCO_3 —or calcium and magnesium carbonate— $\text{CaCO}_3\text{MgCO}_3$. So while we have been conserving our soil all these years, we have been pouring on 30 million tons of material very high in calcium. This, in turn, has gone into our crops and animals and, ultimately, into all consumers as they purchase their foodstuffs. Note there is no danger of nitrate poisoning here.

While our headlines have tended to stress "hunger in America," the fact remains we are one of the healthiest nations in the world. And the importance of calcium to human health cannot be overstated as Dr. Peterson so clearly points out.

So I would like to suggest to my colleagues, particularly those from urban areas, that while this program was conceived as a farm program and its long-range benefit was from soil conservation, there has been a most significant immediate benefit to the consumers as well.

No farm program passed by the Congress reaches more farmers than the agricultural conservation program. No farm program has more long-range potential for this Nation. Conservation and restoration of the soil and water is a separate title in the authorizing bill, and is one of the very basics of my own farm bill, that I have introduced in previous sessions of the Congress. I believe the Nation's entire farm program could and should be based on these principles. Because of the demonstrated goodness of the agricultural conservation program, when comparing the benefits against the relatively little cost. I am pleased to offer my support to the committee's report and bill.

(Mr. HALL asked and was given permission to revise and extend his remarks.)

Mr. LANGEN. Mr. Chairman, I thank the gentleman from Missouri for his timely and appropriate statement.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to my colleague on the committee, the gentleman from Kentucky (Mr. NATCHER).

Mr. NATCHER. Mr. Chairman, the Subcommittee on Agriculture of the Appropriations Committee once again brings to the floor of the House for your approval the annual appropriations bill for the Department of Agriculture.

We recommend new obligational authority of \$6,806,655,000, a reduction of \$207,776,050. The January budget estimate totaled \$7,014,431,050. The amount we recommend is \$1,372,244,650 below funds provided for 1969 which is a reduction of 17 percent.

For the Agricultural Research Service we recommend a total of \$224,175,000. This is \$1,917,200 more than the amount appropriated for fiscal year 1969 and \$5,919,800 less than the budget request.

We recommend the appropriation of \$129,129,000 for our Extension Service. This is \$32,066,000 more than the amount appropriated for fiscal year 1969 and \$1,780,000 less than the amount of the budget request.

Mr. Chairman, we recommend the sum of \$233,730,000 for our Soil Conservation Service. This is \$4,416,000 more than the amount appropriated for fiscal year 1969 and \$2,795,000 more than the budget request.

We recommend that the sum of \$589,967,000 be appropriated for Consumer and Marketing Service. This is \$3,478,500 more than the amount appropriated for fiscal year 1969 and \$4,387,200 less than the budget request.

For our Agricultural Stabilization and Conservation Service, we recommend that the sum of \$209,903,000 be appropriated. This is \$6,107,500 more than the amount appropriated for fiscal year 1969 and \$18,550,000 more than the budget estimates.

To continue the agricultural conservation program we recommend \$195,500,000. This is \$5,500,000 more than the amount authorized for fiscal year 1969. For a number of years now we have had to restore the reductions in this program. This program affects 1,200,000 farmers and is one of the best agricultural programs in operation today.

This bill carries adequate funds for continuation of our tobacco research program. Here, Mr. Chairman, we have an industry that pays into the Federal, State, and local tax collecting agencies about \$4 billion each year and 21 of our States produce tobacco. Over 700,000 farm families are involved in the production of this commodity. This is a \$10 billion industry.

We recommend loan authorization for our Rural Electrification Administration in the sum of \$320 million. For our loan authorization for rural telephone service we recommend \$123,300,000.

This bill provides for the general operations of the Department of Agriculture and the Farm Credit Administration. Under title I we have regular continuing programs of the Department such as research, disease and pest control, inspection of meat, poultry, and

other foods, school lunch, milk and food stamp programs, overseas agricultural services, regulation of commodity markets, policing of packers and stockyards, State experiment stations, extension services, assistance to farm cooperatives, soil and water conservation, crop reports, marketing services, enforcement of the program for licensing and control of laboratory animals, and various service and staff officers. Title II includes the credit programs; title III includes Federal Crop Insurance, Commodity Credit Corporation, and foreign assistance programs. Title IV includes the Farm Credit Administration.

Agriculture is our largest industry. Its assets exceed those of any of the next 10 largest industries. Agriculture employs more workers than any other major industry and in fact employs seven times the number of people in the mining industry, 23 times the number in the oil and coal industry, and five times the number in the automobile industry. Agriculture is one of the major markets for the products of labor and industry. It spends more for equipment than any of the other large industries. Agriculture uses more steel in a year than is used for a year's output of passenger cars. It uses more petroleum products than any other industry in the country. It uses more rubber each year than is required to produce tires for 6,000,000 automobiles. Its inventory of machinery and equipment exceeds the assets of the steel industry and is five times that of the automobile industry.

Our farmers' assets now are approximately \$300 billion.

In considering the question of prosperity insofar as agriculture is concerned, we must keep in mind, Mr. Chairman, that the average capital investment in farming today is something like \$66,000. In 1950 the average capital investment was about \$17,000. Today a great many of our young people on the farms have no chance to get started in agriculture unless they either inherit a farm or succeed in borrowing a large sum of money to invest in land which is adequate for a livelihood.

In 1950 the farmers' share of the retail food dollar was 47 cents. Today it is down to 39 cents.

Our American farmers know how to produce and today our country is the world's largest exporter of food to the many nations of the world.

Three-fourths of our land area is in private ownership and 60 percent is in farms and ranches. If our country is to survive and prosper we must continue to assist these custodians of our natural resources to reforest our lands, protect our watersheds, harness our streams for electricity, and conservation of soil and water. We must leave to the future generation a fertile land and a land sufficient to produce food for our people.

Our Soil Conservation Service is more important today than at any time in the history of this Service. We have 202 million people in the United States today. When we consider the need for more food and fiber and keep in mind that some of our best land is now being used

for airports, interstate highways, subdivisions, and for recreational purposes generally, we must preserve as much of our best land as possible and at all times have tillable land in production which will produce enough food for our people. Today in our country we have in cultivation some 382 million acres. We are losing so much good land each year that it is now more necessary than ever that we have definite planning and programs which will establish a national policy in this country concerning the need for keeping good land in production and systems devised for use of land not so fertile to be used for the many purposes where good farmland has been used in the past.

In closing, Mr. Chairman, I want you to know that I definitely am of the opinion that we still have serious problems in agriculture and certainly this is not the time to turn our back on the American farmer. It is becoming more difficult to maintain a sound agricultural economy due to increasing cost of labor, equipment, and the high cost per acre of good farmland.

We must give more time and study to the situation that now prevails between the time agricultural commodities leave the farm and are sold to the time the products go into the homes of our people for consumption.

Our American farmer is entitled to a fair share of our national income.

Mr. Chairman, our committee recommends this bill to the Members of the House.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Missouri.

Mrs. SULLIVAN. I thank the gentleman.

Mr. Chairman, I do not know who has been accusing the chairman and members of the Subcommittee on Agricultural Appropriation of the House Appropriations Committee of refusing or failing to recommend sufficient funds to feed hungry Americans, but I certainly have not been among those voicing such criticisms. As a matter of fact—and I have said this many times—the Subcommittee on Agricultural Appropriations has generally given full support to the food stamp program and has recommended almost every cent authorized for the program. The one important exception was last October, in the supplemental appropriation bill for 1969, when only \$280 million was appropriated instead of the \$315 million authorized under the 1968 Amendments to the Food Stamp Act.

I see in the hearings of the subcommittee that the chairman has acknowledged the fact that too much of a cut was made in this program last October and I think that is a courageous and straightforward acknowledgment of a mistake. It was a mistake at the time and has been responsible for limiting the effectiveness of the food stamp program to some extent, particularly since February when substantial improvements were made in the program under recommendations and decisions made last year by former Secretary of Agriculture Orville L. Freeman.

NO REQUEST MADE FOR 1969 SUPPLEMENTAL APPROPRIATION

Despite the mistake which was made here last year in the appropriation process—last October—neither the Johnson administration nor the Nixon administration asked for any additional funds after Congress reconvened in January to permit further expansion of the food stamp program during the remainder of the 1969 fiscal year. So if the Appropriations Committee made a mistake, as I believe it did and as it acknowledged it did, no one in authority seems to have wanted to do anything about it for the current fiscal year.

Going back over the years, I would say flatly that the Appropriations Subcommittee for Agriculture has given far more support to the food stamp program—many times over—than the legislative committee which has responsibility for the basic Food Stamp Act. It has always been like pulling teeth getting anything out of the Committee on Agriculture in the way of improvements in the law; it has generally not been difficult getting the full appropriation from the Subcommittee on Agricultural Appropriations headed by the gentleman from Mississippi.

SECTION 32 FUNDS MAY NOT BE USED

The Nixon administration has indicated that it intends to seek funds to virtually double the food stamp program during the 1970 fiscal year which begins this coming July 1. I have found no indication of how this is going to be done. There is no legislation from the administration so far to increase the present authorization of \$340 million under the Food Stamp Act for fiscal 1970, yet such legislation would have to be passed before an additional cent could be appropriated above the \$340 million included in this bill. Thanks to a cruel amendment agreed to unanimously 2 years ago by the Senate Committee on Agriculture, not a single cent of the nearly \$1 billion available to the Secretary of Agriculture for surplus food removal under section 32 can be spent under the Food Stamp Act—not a cent of it. So far as I can tell, neither the administration nor any of the members of the Senate Agriculture Committee who are now so deeply concerned about hunger have taken a step toward repealing that cruel amendment contained in the Food Stamp Amendments of 1967.

I welcome President Nixon's announced intention to seek to broaden the program and I am glad to see that some of the members of his party in the House joined in a statement in the CONGRESSIONAL RECORD on May 20, submitted by the chairman of the Republican National Committee, the gentleman from Maryland (Mr. MORTON), pledging support for the President's position in behalf of an expanded and more effective food stamp program. Of course there is not anything that President Nixon now wants to do about the food stamp program that could not have been done under the bill we passed here in the House on July 30, 1968. That bill had provided for an open-ended authorization for the program so that Congress could appro-

priate whatever funds were necessary. The improvements which President Nixon is now talking about making in the program are generally the same improvements which Secretary of Agriculture Orville L. Freeman had intended to make under the bill we passed here last July 30. Unfortunately, the Senate Agriculture Committee conferees torpedoed the House bill and restored inadequate appropriation ceilings in the law. And the House conferees went along with that. So Mr. Freeman could make only limited improvements in the program under the present law which was passed last fall.

MOST VOTED "NO"

But on the crucial vote here in the House on July 30, 1968, on the Sullivan substitute, which was cosponsored by 130 Members of the House, including 10 chairmen of standing committees and four ranking minority members of standing committees of the House, approximately four out of five of the Members of the minority who joined with the chairman of the Republican National Committee last week in praising President Nixon's proposed improvements of the food stamp program, and criticizing what had been done previously, voted against the substitute measure.

Out of the 65 Republican Members who pledged their support for the proposed expansion of the food stamp program this year, in the statement in the RECORD of May 20, seven are new Members who did not serve in the 90th Congress, one failed to vote on the critical amendment on July 30, 1968, 45 voted "no" and only 12 voted "yes."

So it was not the chairman of the Subcommittee on Agricultural Appropriations, Mr. WHITTEN, who should have to apologize for his past actions on the food stamp program—I think he has generally supported it and I am grateful to him for the funds he has been instrumental in making available to the program over the years, since it began as a very small pilot operation in 1961.

NO NEED TO EXAGGERATE THE STARK TRUTH

I think there is more politics in the hunger issue than in almost anything else we have had before us. There is enough substance to the issue of malnutrition in this country that it does not have to be dressed up into a political football, or made the victim of faked scenes or misleading propaganda. The facts themselves are stark enough to justify emergency action to correct the problem. I think it is deplorable when these facts are deliberately exaggerated to make a better story because the genuine story is serious enough, and I think anyone involved in faking evidence of starvation is guilty of a crime against the people's right to truth and honesty in the reporting of national issues.

Undoubtedly the sight on the television screen of an infant dying from starvation is dramatic material to stir the emotions and shock the conscience of every American. But I am horrified to read in the report of the Committee on Appropriations that the infant shown in the broadcast as having starved to death was a premature baby who weighed only a little more than 2 pounds at birth—it

was not a case of malnutrition at all. This is an indefensible misuse of the television news camera. There are hungry children in this country—there are lots of them. But I do not like to see faked pictures used even for a good purpose. I think the gentleman from Mississippi has a right to be incensed at the facts brought out in the investigation into the manner in which the hunger story was reported. The good Lord knows the facts are bad enough without any exaggerations.

WHERE THE CRUCIAL DECISIONS ARE MADE

But if television wants to dramatize the problems of solving malnutrition in the United States, it will find the story not in scenes of pickets marching around the Department of Agriculture or in the premature baby ward of a Texas hospital, but in the decisions made in the House and Senate Committees on Agriculture. That is where the battle has always been crucial, and frequently has been lost. Every television camera in Washington seemed to be down at the Department of Agriculture last year when the Resurrection City marchers were picketing the Secretary. On the same day the House Committee on Agriculture was opening hearings on the food stamp program and there were six people in the audience—not one of them from Resurrection City. And there were no television cameras outside in the corridor. Nor where there any, apparently, outside the meeting room of the House and Senate conferees on the food stamp bill last year when the decision was reached to reject the House bill and adopt restrictive ceilings on appropriations, so that only \$340 million can now be included in the bill today for food stamps instead of the \$610 million the Nixon administration says it would like to spend for the program in the coming year.

The Whitten subcommittee has, on the whole, an excellent record on this issue. It deserves praise, not criticism, for its actions on food stamp funds. Too many critics of our food programs are directing their attacks at the wrong targets.

(Mrs. SULLIVAN asked and was given permission to revise and extend her remarks.)

(Mr. NATCHER asked and was given permission to revise and extend his remarks.)

Mr. LANGEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. MICHEL).

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. MICHEL, Mr. Chairman, I should point out that while we bring the bill to you under the budget, there is what I believe to be a phony cut of \$250,000,000 for capital restoration of the Commodity Credit Corporation.

You will recall several weeks ago we had a \$1 billion supplemental for CCC. You may get another in fiscal year 1970 if the situation does not change drastically.

The biggest add-on has to do with the forward authorization of the ACP program where the committee restored the \$195,000,000 cut in the budget. This is the

same funding level as this year. Quite frankly, I have tried in the past to cut out these funds for all but long-range conservation practices and been badly beaten. If I offer the amendment when we read the bill it will only be done to show the Bureau of the Budget how futile an effort it is.

For the Extension Service we have recommended \$129,066,000, which is a decrease in the request of \$1,780,000 and an increase over 1969 of \$32 million.

The Members from urban areas will be interested in knowing how the Extension Service helps their areas, and I would like to give you some examples from my district, Peoria, Ill.

The agriculture extension work directly benefits all people—urban, rural nonfarm, and rural. Extension personnel assist by advising zoning boards, encouraging the need for conservation of natural resources, and promoting recreational areas. Len Caro, city manager of Peoria, requested help on adaptable soil types for areas to be used for factory sites, housing development, and waste disposal or land fill. Peoria and other communities have sought information from extension to determine the local water table and soil conditions to provide a good water supply. Some of this has resulted in building impounded areas for a water supply, or drilling a well, or developing sewage systems. A good water supply and proper waste disposal systems will help expand the communities and improve living conditions for all people.

Homeowners seek information from extension service on maintaining an attractive lawn; growing thrifty wholesome food in gardens; controlling household insects; selecting and caring for trees and shrubs; and using chemicals properly. It may seem unimportant to us, but what to do in case a swarm of bees settles on your back porch, or how to keep the snakes out of your basement can be of utmost importance to a homeowner, regardless of location.

The biggest increase we have made is under payments to the States for the nutrition aide program. We are recommending \$112.4 million, which is an increase over 1969 of \$30.7 million. This program has been operating during the last 6 months of this fiscal year on \$10 million the Secretary appropriated from section 32 funds.

In the expanded nutrition program in two counties in my district we are concentrating on the individual low-income homemakers. Our program assistants are working with the homemaker to help her improve family diets and to manage and utilize food by developing some skills in planning, buying and preparing meals. The regular home economics extension program has always worked with food and nutrition in 4-H Young Homemakers, and the adult program. They have never done such individual or indepth work with the regular program. The Extension Service has worked in one interest area at a time, not only in food, but in all areas related to the home. Many low-income homemakers will not come out to group meetings; they need to find someone they have confidence in. This program will not have over-

night results; but if followthrough is done properly, it can have lasting results.

Our program started in Peoria and Tazewell Counties in February with a 6-month budget of \$49,500. To date, 17 program assistants have enrolled and contacted 356 families, at an average at this date of \$139 per family.

The program assistants are recruited from the areas which they will serve and are paid \$2 per hour.

With regard to the rural electrification program I look at the REA experience over the last year with mixed feelings. When the new Administrator Mr. Hamil took office on March 6 he found that only \$82 million of the \$345 million of funds scheduled for loans in fiscal year 1969 were unobligated. He also found that of the \$263 million already loaned, \$193 million or 73% had been loaned for generation and transmission purposes. This was done even though both the House and Senate Appropriations Committees last year instructed the Administrator to hold generation and transmission loans to a minimum. As a result of the actions of the previous administrator \$70 million of distribution loans that should have been made this year will have to be carried forward and become a burden on the 1970 loan authorization.

Fortunately, the new Administrator has taken prompt action to try to restore some order out of the chaos he found.

I am happy to report that Mr. Hamil has revised the REA Bulletin setting forth policy on loans for generation and transmission facilities. The new bulletin at long last deletes the controversial third criteria having to do with the nebulous security and effectiveness provisions that were merely a shield behind which the Administrator could do anything he wanted to do. The revised bulletin establishes a more sound basis for making generation and transmission loans by separating initial construction from supplemental construction and requiring that estimated savings from REA financed facilities bear a significant relationship to the amount of the proposed loan.

Mr. Hamil also made much needed revisions of policy concerning section 5 loans for wiring, plumbing, and electric appliances and equipment. He restored the original intent of the law by eliminating a farfetched interpretation which had been used in recent years, to permit loans for commercial and industrial enterprises. The revised bulletin adds ventilating and heating ducts to the loan authorities, requires borrowers to comply with the Truth in Lending Act, eliminates use of section 5 loans for consumer financing of merchandise, and limits section 5 loans to 5 years.

Another bulletin that has been revised and brought up to date is the one covering wholesale contracts. The revised edition eliminates the 5-year limit on the term of contracts and sets forth certain conditions for power purchase contracts both with other cooperatives and with noncooperative suppliers.

The thorough and constructive steps that have thus been promptly taken were possible only because of the experi-

ence, knowledge, and sound thinking of the new Administrator. For example, he recognized that 5-year power supply contracts made little sense today in light of recent technological advances in scale and the fact that REA borrower loan commitments for generation have 35-year maturities. I am looking forward to continued improvement in the administration of the REA program under Mr. Hamil. The committee report gives him a good springboard from which to proceed.

The committee emphasizes the need "to devote as much as possible of the amount available to meet the urgent need for additional distribution facilities." To comply with this directive it would seem to me to be necessary to apply the provisions of the new bulletins carefully and to establish rather firm priorities for allocation of funds. The Administrator will also need to take a good look at the advances he makes this year because of the budgetary restrictions that have been established due to the critical fiscal situation facing our Nation and the controversial nature of some of the large G. & T. loans that have been approved in recent years. While I realize that there are legal obligations of the Government that must be respected I am also aware of the fact that certain decisions made in the past are of questionable legality, were indiscreet and would not qualify under present policies. The interests of the Government and the taxpayer should be protected to the extent it is legally possible to do so.

I have been interested in the PPB method of evaluating programs and understand some use of this system has been made by the Department of Agriculture in the REA area. If the procedure is as good as its proponents claim for it, it would appear to me that the system should be extended to review an evaluation of specific loan requests, in a manner somewhat similar to that used in feasibility studies for direct Federal Public Works construction. If the Federal Government believes such analyses are necessary for Federal works it intends to build itself, it would seem there is an even greater need for it where it is putting up the money when someone else is doing the work.

The National Rural Electric Cooperative Association at its annual meeting this year approved the creation of a Rural Utilities Bank whose initial capital would be financed by subscriptions from REA cooperatives. The bank was chartered in the District of Columbia in April, 1969. Under the proposal, applications for rural electrification loans would be processed through REA which would prepare feasibility studies, determine those loans which it will approve, and forward the remainder to the bank together with a detailed list of material developed in its analysis. Since the bank will require a first lien on facilities installed with the proceeds from its loans, the existing REA mortgages would have to be subordinated or otherwise accommodated, because they cover all property of borrowers, existing or after-acquired. These are but two of the many problems created by the new bank.

Administrator Hamil stated at the

House Appropriations Committee hearings that he had hoped that at least in the initial stages of supplemental financing for the rural electric cooperatives he would "have the opportunity to use the funds made available by the Congress, and commingle them with funds that could be made available from outside sources." This is a new wrinkle which, at least at first blush, looks extremely ominous. Any movement in that direction should be carefully studied before commitments are made because it could have many pitfalls. I fear the consequences of such involvement, and would expect the Administrator to obtain congressional approval through the normal legislative route if he is seriously considering any proposal of that nature.

It is essential that satisfactory means be found for supplemental financing of the rural electric cooperatives program. It is regrettable, however, that no comprehensive study has been presented to the Congress by the executive branch of the various possible alternatives for such financing; the costs and benefits of the various plans; the advantages, disadvantages and consequences of each; as well as a clear, succinct statement of the proper role and responsibility of the rural electric cooperatives in the late 20th century. Such a detailed study could likely have provided a sound, workable solution to the problem and avoided much of the confusion and controversy created by the proliferation of questionable and unsuccessful, piecemeal schemes we have faced in the last several years.

I am particularly concerned about this whole matter because we seem to insist on going about the business in a process which is directly opposite from the approach of the traditional Federal credit program. The customary procedure is for the Federal Government to provide credit assistance only as a last resort when a justified undertaking cannot be financed through normal investment channels. In the case of REA the plans have been to have outside financing for the facilities the Government does not wish to, or cannot legally, finance under present statute. In other words applications would be processed through the Government first, and then forwarded to a private bank. This unusual method of attacking the problem from reverse is of itself enough to confuse even the most astute official. Furthermore, REA should not be permitted to use either administrative or loan funds supplied by this Congress, under the 1936 act, to study, promote, or finance, in whole or in part, facilities that cannot be legally built under the act.

I urge the Rural Electrification Administration to avoid hasty, ad hoc decisions on the new gimmick that is now current—the Rural Electric Bank—to stop stumbling around with various makeshift arrangements, and to start looking to the development of a carefully conceived, objective, economically and financially feasible, long-range answer to the rural electric cooperatives' financing needs.

Another area where REA has, in the past, been lax in administration is in the execution of laws concerning minority employment. It is quite evident that the

new Administrator has not had sufficient time to fully examine this matter. I am sure, however, that the dismal record that exists is causing him concern.

A recent issue of the Civil Rights Digest showed that out of 46,380 employees of REA electric and telephone borrowers only 2,083 or 4.49 were from minority groups and only 1,347 or 2.9 percent were Negro. What is more, most of these Negro employees are working in semiskilled, unskilled, and service jobs. I fail to see how REA could consider such a record as compliance with the Civil Rights Act of 1964.

Section 601 of that act provides that no person by reason of race, color, or national origin shall be subjected to discrimination under any program or activity receiving Federal financial assistance.

On September 24, 1965, former President Johnson issued Executive Order No. 11246, part III of which deals with nondiscrimination provisions in federally assisted construction contracts. This provision prohibits discrimination in the construction of such federally aided facilities. Sanctions are provided in section 303(b) of the order. These sanctions include cancellation of the loan contract or refraining from making future contracts for assistance to such entity. I have yet to hear of the REA canceling any loan contract because of discrimination or refusing to make future loans to a borrower as a result of such discrimination.

Section 703(a) of the 1964 act makes it an unlawful employment practice for an employer to discriminate against an individual with respect to employment because of his race or color. An employer means any person "in an industry affecting commerce" which has 25 or more employees. Practically every electric or telephone borrower from the REA is "in an industry affecting commerce"—commerce meaning interstate commerce. According to the REA, 575 of the 981 electric borrowers—and 112 of 811 telephone borrowers—had 25 or more employees.

Certainly the figures in the hearings indicate that some borrowers must be discriminating in employment. They obtain loans from the Treasury with interest at only 2 percent when the average rate of interest on the total marketable debt of the United States is 5.12 percent. I ask you: Is it fair and proper that the United States should subsidize discrimination through the REA loan programs? Obviously the answer is no.

I think it is high time REA investigates this matter and takes steps to assure compliance with the law. Where borrowers fail to do so the authorized sanctions should be applied.

SOIL AND WATER CONSERVATION

I would hope in the next year that we see some shift in budget allocations for research in the soil and water conservation research.

I am inserting a chart at this point which shows that for each \$1,000 worth of research in the Corn Belt States the Soil and Water Conservation Research Division receives 11 cents. For a three-State—Idaho, Oregon, Washington—area

in the Northwest, the Research Division allocates 68 cents for \$1,000 of farm receipts.

RESEARCH SUPPORT BUDGET ALLOCATIONS TO SOIL AND WATER CONSERVATION RESEARCH DIVISION, USDA-ARS

	Cash receipts from farming (millions) ¹	Research support per \$1,000 of receipts ²
Northeast.....	\$3,668.2	\$0.88
Southern.....	6,446.3	.33
Corn Belt.....	13,080.2	.11
Northern Plains.....	3,751.7	.37
Southern Plains.....	5,116.5	.29
Northwest.....	1,944.3	.68
Southwest.....	4,271.6	.40

¹ 1964 agricultural statistics.

² Estimated obligations for research by States, salaries and expenses, fiscal years 1964-65, ARS.

Note: Some figures based on preliminary figures.

Source: Pt. IV, Hearings Before a Subcommittee on Appropriations, House of Representatives, Agriculture, 1968.

These Corn Belt States produce one-third of the cash receipts from farming.

According to 1966 agricultural statistics, the Corn Belt States produce 78 percent of the corn, 72 percent of the hogs, 68 percent of the soybeans, 60 percent of the oats, 47 percent of the milk, 43 percent of the turkeys, 38 percent of the hay, and 32 percent of the cattle in the United States.

Yet these States in the Corn Belt—Iowa, Illinois, Indiana, Kentucky, Michigan, Minnesota, Missouri, Ohio, and Wisconsin—receive the smallest amount for research support per \$1,000 of receipts.

Mr. LANGEN. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. CONTE).

(Mr. CONTE asked and was given permission to revise and extend his remarks.)

Mr. CONTE. Mr. Chairman, later in the day I intend to introduce an amendment to limit aggregate farm subsidy payments for any one producer to \$20,000 with the exception of sugar payments.

This is the same amendment which I introduced on July 31 of last year and which the House approved by a record vote of 230 to 160.

Mr. Chairman, our present farm programs are not working properly—they are wasteful, inequitable, and in need of basic revision.

On March 25 of this year we considered legislation to appropriate additional funds for the Commodity Credit Corporation. Those circumstances were not appropriate for offering my payment limitation amendment and I so stated this on the floor. I went on to state, however, and I quote:

At the first appropriate time I intend to again introduce my amendment placing a \$20,000 maximum on farm subsidy payments.

I intend to continue this battle until we have been successful—until we have eliminated the unfair subsidies which now exist and have developed new agriculture programs and policies to meet the challenges of today.

Mr. Chairman, today is that "first appropriate time."

I will defer any further discussion of my amendment until I have introduced it later on.

I would, however, like to comment here on the action taken late last week by the leadership in rescheduling consideration of this bill from tomorrow to today.

Mr. Chairman, there can be no justification for this action.

It is perfectly clear that the leadership switched this bill and the Treasury-Post Office appropriations bill around for one reason and one reason only—to limit the support for a farm payments limitation, thereby protecting the huge unjustifiable subsidies which are presently being paid out.

The leadership was well aware of the fact that many supporters of the amendment would still be in their home districts today while most of its opponents, coming from more distant areas, would be here on the floor. This is why we suddenly find ourselves considering the Agriculture appropriations bill today.

Mr. Chairman, we need new farm programs for our Nation and we must begin moving on this immediately. My amendment will constitute a first step forward in accomplishing this and at the same time eliminate the wasteful spending of hundreds of millions of dollars of the American taxpayers' money.

I urge the Members of this body to support me when I introduce my amendment later in the day.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I will be glad to yield to my good friend from Illinois.

Mr. FINDLEY. I would like the gentleman to know that in the May 21 CONGRESSIONAL RECORD, beginning on page H3943, I placed a listing of each recipient in the United States whose payments in the aggregate from the various programs, excluding sugar and wool, exceeded \$25,000. The amendment which the gentleman from Massachusetts and myself both support and intend to offer later is at \$20,000, so there is admittedly a gap between the \$20,000 amendment and \$25,000 and above figures as reported in the CONGRESSIONAL RECORD of that date. Any Member of this body desiring to see first hand how this amendment can turn to that page of the RECORD and find out the name and address and the dollar amount.

I am sure the gentleman will agree with me some of the figures are indeed shocking. For example, under Arizona I see an item of \$504,000. There are two items in California in the range of \$3 million each.

Mr. CONTE. Not only millions of dollars are involved, but there are prisons getting subsidies, rich oil companies getting subsidies, and rich land developers getting subsidies. This is one of the worst programs we have in this Government.

There are Congressmen and Senators getting farm subsidies, and it is high time we stopped it.

Mr. Chairman, I yield back the balance of my time.

Mr. LANGEN. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. NELSEN).

Mr. NELSEN. Mr. Chairman, I listened with interest to the discussion relative to the limitation of farm payments,

and I wish to comment that I, too, will offer an amendment as to the payments, but mine will be different.

We forget the purpose of the farm program is to limit production to the demand. If a cutoff is made at an arbitrary figure, the odds are that the largest producers will not participate in the program and will continue to produce more and more and, as a result, destroy the agricultural economy.

Mr. HUNGATE. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Missouri.

Mr. HUNGATE. Can the gentleman tell me why sugar and wool would be excluded from the limitation?

Mr. NELSEN. I do not know. I cannot answer that question. However, let me suggest that the gentleman ask that question of someone else, and I would like to use the amount of time that I have, the 3 minutes, for my little pitch on the idea that we have.

There will be a graduated payment under my plan and under Congressman Zwach's plan where as the payments go up the percentage goes down. Under this plan, there will be no bar to participating in the program because of economic pressure, but the smaller producers would get a little bit more and larger producers would get a little bit less. This will be done in such a manner that there will be participation in the program. If we drive the large producers out, we will have a surplus that will depress the market. The purpose of my amendment will be to take an even, middle road which I think has merit and which has been endorsed at some of the national conventions.

And I am sure that the members of the committee will be pleased to see the provisions of my amendment when it comes up later. I thank you very much.

Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. FINDLEY).

(Mr. FINDLEY asked and was given permission to revise and extend his remarks.)

Mr. FINDLEY. I thank the gentleman for yielding.

The question was raised as to why sugar and wool are excluded from the limitation on payments. Wool is not excluded. It will definitely be included. And I might say in explanation that the figures which I placed in the RECORD did exclude sugar and wool but only because the statistics were furnished to me in that form and I did not have the wool and sugar payments available. But because of the unique features of the sugar program, producers cannot vote by referendum as to whether to continue the sugar program or not. This is the principal reason I propose to exclude sugar payments in my limitation of payments amendment.

Further, the question was raised as to whether the largest producers under, say, the cotton program would cooperate in the event a limitation is placed upon payments.

It is interesting to note that Louisiana State University recently issued a study of the economic advantage of planting

cotton as opposed to the most logical next crop, that is soybeans. They found it to be economically unsound for a cotton producer in Louisiana to switch from cotton to soybeans, unless the soybean price rose to nearly \$4 per bushel. Therefore, I concluded that even with the \$20,000 limitation on payments, the big producers in that area and presumably in all sections of the land where cotton is grown would continue to produce pretty much the same volume as they do now.

The very important fact is that the taxpayers do not have to pay the gigantic payments to cotton producers in order to get their cooperation.

The main reason I asked for this time, I will say to my friend from Minnesota, is to inquire as to the estimated cost of the programs for the coming year. I understand that the sign-up under the feed grains program is the largest in a long time, if not the largest in history.

Can anyone supply me with an estimate as to what the feed grains program will cost in this 1969 crop year? Can anyone give me an estimate on that? Surely, out of the hearings which were held on the bill for the restoration of capital operating stock to the Commodity Credit Corporation there must be something to indicate the anticipated cost.

Mr. LANGEN. Mr. Chairman, if the gentleman will yield, I refer the gentleman to volume 3 of the hearings and the table which appears on pages 130 and 131 thereof where there is identified in chart form the respective costs of the programs beginning with 1964 and running through 1970, including wheat certificates.

Mr. FINDLEY. Could the gentleman capsule for our benefit the cost of each program—the cost to the taxpayers of each program involved? I would like to have figures on the feed grains program as well as others. I understand that the cost of the cotton program is about \$900 million.

Mr. LANGEN. Just one moment and let me see if we have those figures available.

For the feed grains program there is the estimate of \$710 million; for the wheat program—certificates issued to producers—\$738.4 million; for the cotton, upland wool and ELS, \$798.6 million; for wool, \$55.8 million, making the total price support for those categories \$2,302,800,000.

For wheat certificates sold to processors which amount to a refund and that amount is \$390 million, making, therefore, a net price support payment cost of \$1,912,800,000. These are estimated costs for 1970. In addition there are diversion payments of \$632 million for feed grains and \$80 million for wheat.

Mr. FINDLEY. Did I understand the estimate for 1970 for feed grains was only \$700 million.

Mr. LANGEN. It is \$710 million.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. LANGEN. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts (Mr. KEITH).

Mr. KEITH. Mr. Chairman, I would like to bring to the attention of the chairman of the committee and the Com-

mittee on Appropriations a memorandum put out by the School Lunch Program Agency dated July 21, 1964, signed by the director of the Food Distribution Division. This memorandum is pertinent to our effort to try to help domestic industries, not only agriculture, but others.

It says:

One of the primary objectives of the National School Lunch Program, as stated in the Act, is "to encourage the domestic consumption of nutritious agricultural commodities and other food". The Congressional intent is for the National School Lunch Program to promote the increased consumption of domestically produced agricultural commodities and other goods and not those of foreign origin.

It has been brought to my attention that the school lunch program funds are being used to purchase imported fish—this in spite of the fact that our fishing industry is having real tough sledding and needs and deserves all the help that it can get.

I would like to have reaffirmed in the debate here today the legislative intent as to the proper use of the funds in the school lunch program—with respect to imports.

Mr. WHITTEN. Mr. Chairman, if the gentleman from Massachusetts will yield to me, I believe that I could state in partial answer to the inquiry of the gentleman that in our consideration of this bill—while there have been some variations of opinion—I would say that adequate attention has been given to this problem. We have section 32 funds for purchasing surplus foods for use in the school lunch and other programs. In addition to that, we also have these other provisions of law, such as the Child Nutrition Act, in which permission is given to purchase additional items in order that the recipients may have a well-rounded lunch.

Certainly, speaking for myself—and I feel that I am also speaking for most of the members of the committee—I would certainly like to see American fish products used, since it is an American industry, and certainly the products of the American fish industry should be funneled into our school lunch programs.

But I would further say that in section 32 they are allowed to go to additional protein sources in order to provide a well-rounded diet, and as a result, some products might be imported.

Mr. KEITH. Mr. Chairman, would the gentleman believe that it would be illegal for a school lunch administrator to purchase foreign foods when domestic foods are available?

Mr. WHITTEN. The gentleman has used the word "illegal." This would go particularly to the legislative intent, and I am not familiar enough with the situation to know the complete limitations on the administrator's discretion. So I would say that his decision should be based on what his authority is. I certainly agree with the gentleman, but I would not want to pass on the legality, because I am not an expert in that field.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. LANGEN. Mr. Chairman, I yield 2 additional minutes to the gentleman from Massachusetts.

Mr. KEITH. I thank the gentleman for the additional time.

Mr. LANGEN. Mr. Chairman, if the gentleman will yield, I want to agree first of all on the proposition the gentleman has made. It is certainly well founded. I would agree with the response that the chairman of the subcommittee has provided the gentleman. I do not believe it was the intent of the Congress, nor the intent of this committee, that money provided for the school lunch program was to be used for the purchase of imported products of any kind, whether fish or something else, as long as those products were available domestically.

However, I believe in all fairness it should be stated that this problem, to my recollection, was not called to the attention of the subcommittee. Had it been, we surely would have explored the matter further for the purpose of determining whatever factors may have been involved in these purchases, and to determine their effect on our own fishing industry.

I would suggest to the gentleman that this matter will be the subject of the committee's consideration in the future.

Mr. KEITH. I would like to point out that on the one hand the Department of Agriculture is inadvertently permitting the further deterioration of the fishing industry by not being able to stop the use of imported seafoods in the national food program. It is interesting, to say the least, to note that the Department of Commerce and the Department of the Interior are literally spending millions of dollars to try to revive that same industry.

If a research into the legislative history of this act would indicate that an amendment might be necessary to prohibit the purchase of foreign seafood, I would like to advise my colleagues on the committee that at the appropriate time such an amendment may be offered.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may desire to the chairman of the Committee on Appropriations, the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, this is the first regular appropriation bill for the fiscal year 1970, which begins on July 1 next. We have considered two supplemental appropriation measures at this session, but we will have before us 13 regular annual bills for fiscal 1970, and this is the first one.

Another of the 13 bills is scheduled for floor debate tomorrow, the Treasury-Post Office appropriation bill.

The committee is moving along rather rapidly toward completing hearings and preparing several other bills for submission to the House. But I should say that a number of the remaining 11 bills cannot under the rules be brought forward until various programs that are subject to annual authorization have first been authorized by legislation out of several authorizing committees. I would hope that the authorizing committees will move along as rapidly as they are able to under all the circumstances.

I would like to say at this time that while there are legislative provisos of one kind or another included in appro-

priation bills from time to time, personally I feel, and I believe this generally reflects the views of the House, that we should keep such provisions on the appropriations bills to a minimum.

I say that particularly now in view of the fact that I understand an effort will be made later this afternoon by way of a limitation on expenditure of funds, to limit payments under the basic farm program law.

The present farm program legislation will expire at the end of next year. A new bill is needed. A new bill will have to be enacted. But for the House to undertake to write anything as complex as a modification of the farm program—and that is exactly what such a seemingly simple payment limitation involves—as an amendment to an appropriation bill here on the floor would be utterly absurd. I hope that we would not undertake to do that.

It might be said that the limiting amendment is just a simple amendment and could be easily applied. But officials at the Department of Agriculture advise me it would be virtually impossible to administer such a limitation.

The so-called Conte-Findley amendment would in effect cost the Government more money than the present system, especially in the cotton program.

Moreover, the amendment is unsound and indefensible. It ought to be defeated. I urge the defeat of the amendment when the vote on this issue arises later in the afternoon.

Mr. Chairman, we have legislative committees for the purpose of formulating these complex pieces of legislation, which deal with such matters as farm programs designed to be helpful to farmers and consumers alike.

I do hope that we can pass this appropriation bill without undertaking to write major farm legislation of far-reaching consequences by any ill-advised action on the bill now before us.

I would earnestly hope that this would be the prevailing view in the House.

Mr. Chairman, I thank the gentleman from Mississippi for yielding me this time.

The CHAIRMAN. The gentleman from Texas has consumed 4 minutes.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana (Mr. MADDEN).

(Mr. MADDEN asked and was given permission to revise and extend his remarks.)

Mr. MADDEN. Mr. Chairman, the pending farm subsidy appropriation now under consideration will undoubtedly take precedence over any appropriation in this session of Congress that could be classified as being one of the most reckless, extravagant, and unnecessary expenditures of the taxpayers money that I have observed in my long service in the Congress. By this statement I do not mean to suggest that all of the \$3.5 billion annual subsidy is not necessary for the smaller rural recipients.

I opposed this legislation when it came before the Rules Committee in the last Congress and recommended that there should be a ceiling of approximately \$15,000 or \$20,000 to any one farm op-

eration in the country. When this legislation was before the House last July I supported, spoke for, and voted for an amendment calling for a \$20,000 limitation subsidy for any one farm operation whether it be individual or corporate farm operation.

When this bill was before the Rules Committee last July the members perused the 1,244-page volume of names, addresses, and annual payments to farm operations. The volume only listed the farmer recipients who received over \$5,000 per year. The recipients who received under \$5,000 per year were not enumerated in the volume because it would possibly require several volumes to list the under-\$5,000 recipients.

Of the various counties listed over the Nation several southern and western counties received payments between \$16 and \$20 million annually. Remember, I am referring to counties, not States. A half dozen individual farm corporations received over \$1 million each, but I believe the champion recipient of all was J. G. Boswell Co., Litchfield Park, Ariz., Kings County, Calif., who received \$4,091,818 from the American taxpayers in the year 1967 for its idle land. Close behind was Rancho San Antonio, Gila Bend, Ariz., Fresno County, Calif., who received \$2,863,668 in the year 1967. The runnerup was Giffen Farms, Inc., of Huron, Calif., who received \$2,397,073 from the American taxpayers in the year 1966 for its idle land.

In the CONGRESSIONAL RECORD of July 18, 1968, page E6642, I listed the names and addresses of 25 large-farm recipients whose individual payments run from \$442,327 up to \$4,091,818. I also submitted on that page of the CONGRESSIONAL RECORD where 10 farming operations received a total of \$14,785,760 which is more than the total of \$13,409,756 received by all farmers in 10 States—Alaska, Rhode Island, Massachusetts, New Hampshire, Connecticut, Delaware, Nevada, Vermont, Maine, and West Virginia—plus the Virgin Islands.

These 10 large operations received payments in excess of those received by all farmers in any one of 15 States—Alaska, Rhode Island, Massachusetts, New Hampshire, Connecticut, Delaware, Nevada, Vermont, Maine, West Virginia, New Jersey, Maryland, Hawaii, Utah, and Wyoming.

Twenty-five farming operations received a total of \$22,766,943 which is more than the total of \$17,610,650 received by all farmers in 11 States—Alaska, Rhode Island, Massachusetts, New Hampshire, Connecticut, Delaware, Nevada, Vermont, Maine, West Virginia, and New Jersey—plus the Virgin Islands.

I do hope that every Member of the House will get a copy of the Senate hearings, first session, 90th Congress, listing the names, addresses, and amounts of all annual recipients over \$5,000 by reason of this farm subsidy. In 1966 the total cost to the taxpayers of this rural subsidy was \$3,281,621,070. The year 1967 was approximately a duplication of the previous years' subsidy. The House of Representatives is today called upon to appropriate this relief bonanza for another year, which, if passed, will cost

the American taxpayers approximately another \$3.5 billion.

I hope that the Members will refer to the July 22, 1968 CONGRESSIONAL RECORD, page E6743, where I got permission to include an editorial from the Chicago Tribune entitled, "A Mississippi Farmer Squawks." This editorial outlined a protest by one Roy Flowers, a wealthy Mississippi cotton and soybean grower, who was ordered to pay \$50,000 in back wages to more than 200 Negro tenants under the Fair Labor Standards Act. The editorial states that Flowers makes more than \$1 million per year from his various plantation enterprises. He failed to pay minimum wages to his fieldworkers. Some were under 16 years of age. According to the suit, the tenants were charged \$70 per month for houses without inside plumbing and water, but with holes in ceilings and walls, when a "reasonable cost" would have been \$5 per month.

The Department of Agriculture lists Flowers as having received \$210,332 in Government subsidies for not planting crops, presumably cotton, last year. In 1966 he received \$162,657 in Federal cash.

Of course Mississippi is not the only State where the rich corporations have taken advantage of this subsidy by adding thousands of acres to their holdings so as to come under this rural subsidy bonanza. According to statistics, records of recipients by various States contained in the CONGRESSIONAL RECORD, Wednesday, May 21, 1969, page H3944, it is astounding to read the fabulous sums paid corporate and conglomerate farms throughout the country, especially in the West, Midwest, and South.

There were 1,826 Texas farmers in payments of over \$25,000 annually who received a total of \$74,190,000; 624 California farmers in payments of over \$25,000 annually received a total of \$47,063,276; 443 Arizona farmers in payments of over \$25,000 annually received a total of \$28,121,115; 817 Mississippi farmers in payments of over \$25,000 annually received a total of \$38,266,282; 35 Iowa farmers in payments of over \$25,000 annually received a total of \$1,343,148; 148 Kansas farmers in payments of over \$25,000 annually received a total of \$5,266,932; nine Minnesota farmers in payments of over \$25,000 annually received a total of \$275,000; 170 Alabama farmers in payments of over \$25,000 annually received a total of \$6,624,115; and 55 Indiana farmers in payments of over \$25,000 annually received a total of \$2,059,023.

I could go on and enumerate other States where large farm operations have bought additional land and expanded this gigantic subsidy which jeopardizes the whole farm legislation to the detriment of the small farmer who no doubt, in many cases, needs Federal help.

I have received many letters during the last few weeks from all over the United States protesting the extension of this subsidy to the wealthy and corporate farmers of the Nation. Some protests recommend that if legislation of this type must be passed, that the limitation to any one farm should be not more than \$10,000 to \$20,000. If the Members

of Congress think that it is necessary to aid the small farmer, to reimburse him for idle land, in order to curtail abundance, a limitation of this type would prevent large farm operations from buying more land, vacating the tenants as an economy move, so they could collect big checks from Uncle Sam.

In an article in Harpers magazine recently, Mr. John Fischer pointed out the following:

When you offer a bribe for every acre taken out of cultivation, the men with the most acres naturally get the most money—in many cases hundreds of thousands of dollars every year. Typically they use their loot in two ways: (1) to buy more land from their smaller neighbors; and (2) to invest in tractors, cotton-pickers, fertilizer, weed-killer, six-row cultivators, and all the other devices of modern technology.

The larger the farm, the bigger the operation with modern equipment, and the farmer can take more acres out of production and thus get a larger annual payoff check from the taxpayer.

This rural bonanza program in 1967 forced over three-quarters of a million farmers off the land and they, in turn, have moved into the urban areas to seek employment.

I have seen some of my rural colleagues go up the center aisle on teller votes to oppose relatively small appropriations for Headstart and other makework and manpower training programs for our urban areas. I have also seen a number of our rural colleagues oppose increases, and in many cases supporting reductions, in several of the great educational programs and housing projects. The same statement can apply to hospitalization, medicare expansion, and air and water pollution programs which some of our good colleagues oppose and wish to reduce or terminate.

It is remarkable that a great number of our Members from rural areas will enthusiastically support the \$3.5 billion boondoggle, 75 percent of which will be siphoned into the profit receipts of corporate and wealthy farm operators throughout the Nation.

Last year the House Agriculture Committee wanted a 4-year extension of this program and the other body sustained their request, but thanks to the opposition a few of us exerted against a 4-year extension, this legislation was limited to but 1 year.

I have every confidence that, by reason of the fight we are making, to inform the voters of the Nation regarding the unjust and unreasonable demands of large farm conglomerates and large individual farm operations, this year will terminate the fabulous amounts to farmers by prohibiting any one farm operation to receive more than \$20,000 annually.

Mr. LANGEN. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. CHAMBERLAIN).

Mr. CHAMBERLAIN. Mr. Chairman, I have asked for this time to make a brief inquiry as to what provisions, if any, are in this bill to take care of continuing research on the cereal leaf beetle. Up in our area of Michigan, and in the Midwest area, this has become a serious problem. I should like to have some assurances that adequate provisions are

made in this bill to continue the research which has been underway for the past several years.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. CHAMBERLAIN. I am happy to yield to the gentleman from Illinois.

Mr. MICHEL. I shall be happy to respond to the gentleman.

The gentleman will recall our exchange during consideration of the bill last year, in which we pointed out that testimony came before our subcommittee that the most serious pest to which we had to contend with was the cereal leaf beetle.

There was at least \$200,000 in the bill last year. There is money in this bill this year, to continue the research, but it ought to be accelerated.

I should say to the gentleman, and make it a matter of the legislative history, that on the strength of the threat this poses we are not doing enough, particularly when we compare this to what we are doing with respect to the screw-worm and the fire ant and some others, where the dollar loss is no where close to what could be the loss in the opening up of the 40 million acres of the bread-basket of this country to the cereal leaf beetle. As the gentleman knows, this beetle infestation in this country began in Michigan and spread to Ohio, Indiana, and parts of Illinois. The Department has to move more militantly to remedy this threat.

I should like to have some assurance from the chairman that he too feels this way.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. CHAMBERLAIN. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I should like to agree with what has been said by my colleague from Illinois. May I amplify it to some degree?

At this stage, we are still doing research, trying to determine how best to deal with the cereal leaf beetle. The amount of \$200,000 is a considerable amount when one is still doing research.

I would point out that we have made an effort to meet this problem. I mention it here, because this is one of the things to be considered. There is contingency reserve of \$1 million which we provided to the Department to meet emergencies. If they have a breakthrough in the research, they have this \$1 million with which to proceed. We try to proceed as fast as we can to learn the answers to problems. We do have this \$1 million "escape valve" which they can use.

Mr. CHAMBERLAIN. I thank the chairman and the gentleman from Illinois. It is reassuring to know that this matter has had the careful attention of the committee. It is my hope it will continue to have such attention.

Mr. KUYKENDALL. Mr. Chairman, the subject of cotton subsidy payments and payment limitations probably generates as much confusion and misinformation as any that comes before you.

Somehow, a debate on payment limitations never really seems to get around to the real issue involved. That issue is whether we are to have farm programs

or not. Regardless of the motives behind efforts to limit payments, we are voting on whether to terminate the farm program. One would think in reading many of the statements arguing for an end to big payments that the farmers of our country were getting handouts from the public Treasury. This is not the case; it has never been the case; and I am hopeful our debate here today will help to clear up a lot of the misunderstanding which unfortunately has been generated.

My district—the city of Memphis—is the largest spot cotton market in the world. The economic health of Memphis is tied in good part to cotton. Cotton payments are a carefully calculated part of the farmer's income. The average cotton farmer cannot grow cotton at the price he has to sell in the marketplace. This difference is made up by a payment on his domestic allotment only—this year—to encourage him to stay in the cotton business—which he certainly cannot do at a loss.

No farmer I have ever heard of assumes for 1 minute that these payments can be made indefinitely. Cotton growers have tried for years to get the kind of research program underway they need to cut their cost and make it possible to grow for the market without benefit of subsidy. This is their goal. And we of the Congress have an obligation to help them achieve that goal. They are doing their part with a dollar-a-bale program and deserve our assistance in every way that we can appropriately give it.

If payment limitations are imposed, certainly we still will have a cotton industry. But it would not be a healthy industry. Several million acres of land will have to go out of cotton and into other crops. I do not know any area of any commodity that can afford additional production without very serious adverse effects. What would happen to wheat, feed grains, vegetables, cattle, and many other commodities if land now planted to cotton were planted to them? And what will happen to all the industries that supply and service cotton?

There is one other aspect of this problem we need to consider very seriously. I think this Congress has an implied commitment through 1970 on the present law—a commitment to farmers that we should not break. Last year we extended the act of 1965 through 1970 to give the new administration time to develop its own program—a program that certainly would deal with this limitations issue. We are being asked here today to do something entirely different, and I would strongly urge that we vote down any efforts to limit payments to farmers as class legislation at its worst.

Mr. CRAMER. Mr. Chairman, the threatened elimination or reduction of the agricultural conservation program posed far more portentous dangers than apparently were envisioned when the matter was first proposed. At stake was not the future of just one particular program, as appeared on the surface, but rather the welfare and well-being of the entire Nation were indeed in danger of being eroded.

For at the very foundation of a great nation and a free people is the rightful fulfillment of that most basic of human needs—the right to and the benefit of proper nutrition and natural resources. These are our historical heritages in a country made strong because its people drew strength from the land and its natural benefits. It is an elementary fact, and one that plagues much of the world today, that a people deprived of an adequate food supply are prey to doubts that the free enterprise system holds out to them the promise and hope of realizing for themselves the opportunities of a free nation. The seed of freedom cannot flourish in the soil of deprivation.

As stated in the committee report on today's bill:

All of the controversy about hunger and malnutrition today has taken for granted the availability in the United States of a plentiful supply of nutritious food. We, in fact, have such a supply—the most abundant the world has ever seen. But we must not forget that the continued availability of these ample food supplies is not automatic. Future supplies to feed the rapidly growing population of this nation and the world, including the hungry and undernourished, will be determined by the economic viability of our agricultural producers, and the continued productivity of our soil and water resources.

This statement in itself is a most compelling argument in support of the highly successful agricultural conservation program, as an important, integral part in the development and preservation of the finest of agriculture systems. The agricultural conservation program is a cost-sharing program, with the local programs developed by the State and local communities, within the structure of the national program and with the approval of the Secretary of Agriculture. This is truly a grassroots program in that no practices are adopted and put into effect in any State or county unless approved by the local conservation groups. The benefits of this program go to nonfarm people as well as to farmers with the program's continued emphasis on the establishment of long-term conservation practices. A growing proportion of agricultural conservation program cost-shares is being used for those conservation practices which conserve water and reduce water pollution; those primarily for wildlife conservation, and those which provide recreational and beautification conservation benefits.

The report further states:

In the opinion of a majority of the members of the Committee, this program provides the best possible means for getting soil and water conservation practices applied to the land.

The land, with its great natural resources and its abundant food supply, has historically provided the strength and the hope for the development of our Nation to its fullest capacity as the leader of the free world. To eliminate or reduce the highly meritorious agricultural conservation program would be most unwise and seriously detrimental to the future accomplishment of the program's goals.

I previously indicated my great con-

cern over the proposed withdrawal of all funds for the agricultural conservation program for this coming fiscal year, and I am relieved and gratified by the committee's position that the vitally important program must be continued. The committee has recommended in H.R. 11612 an appropriation of \$195,500,000 to make payments due under the program authorized in the 1969 agricultural appropriations bill, noting that the amounts owed under that program are legal commitments and funds must be provided to meet all obligations incurred.

Both propriety and humanity place this program in the highest priority and, as the ranking minority member of the House Public Works Committee, which authorizes watershed projects as part of the total conservation program, I urge its uninterrupted continuance through the approval of the funds recommended by the committee.

Mr. VANIK. Mr. Chairman, I want to take this opportunity to announce that I expect to vote against this appropriation bill which will cost the taxpayers of America \$6.6 billion in this fiscal year. Frankly, I do not believe there is any benefit ratio sufficient to justify this kind of public spending.

In the past, I have supported farm legislation. A healthy farm economy makes for a prosperous nation. Our achievements in the agricultural sciences are the marvels of the world—even dwarfing our achievements in space. No other nation has done so much to produce food.

There is poverty on the American farm in large parts of the country and we must deal effectively with that poverty as we deal with urban poverty. But there are also huge profits for some segments of agriculture which enjoy the benefits of our Federal subsidies—and these profits for the greater part completely bypass the Treasury and the tax collector.

As a member of the Ways and Means Committee, I was shocked to learn of the maneuvers which are employed to avoid taxation.

The ingenious farmer who protests urban programs manages to get every conceivable kind of deduction. The farmer gets depreciation, depletion, investment credit, and long-term gains.

On a cattle ranch, the breeding cattle are owned by the children, who pay ordinary taxes at lower rates, while the steers are owned by the parents who pay taxes on these operations at reduced rates as long-term capital gains. The investment credit extends to orange trees in Florida.

The conglomerate was born on the farm—and spread to the city.

This bill provides \$6.6 billion to the agricultural industry of America. That is only part of the story. The overwhelming portion of our public works program not related to transportation adds billions more to the agricultural sector. No other segment of American life receives so much and pays in so little.

The testimony before our committee indicated that tax payments by agriculture in America approximate \$1 billion. We spend approximately \$8 billion in agriculture including this bill and public

works and get back less than \$1 billion in tax revenues. Somehow or another these subsidy programs costing billions of dollars should also generate some tax receipts to justify their continuance.

It is time for us to stop treating agriculture as a pampered child. The industry has progressed far enough to stand on its own and help pay its own way.

Mr. WOLFF. Mr. Chairman, once again we are being asked to appropriate billions of dollars for wasteful farm subsidies that will line the gilt-edged pockets of rich, corporate farmers. These "fat cats" annually come looking, with a highly paid lobby, for the largest single handout in the world. The indolence at the economic trough displayed by these wealthy farmers is especially galling because so little of these subsidies go to deserving family farmers. Were the appropriation reoffered in the spirit that the farm subsidies were created—to help the small farmer who is the platform of our economy—I would be ready to lend it my support.

But I cannot vote for a \$5 billion farm subsidy program with the knowledge that the largest part of these funds will go to corporate farmers whose very existence is designed to exploit the price support program.

At a time when there is much talk in this Nation about the high cost of welfare I think it is important to identify this farm subsidy program for what it is—the single most costly and unproductive welfare program ever designed by man. And it must not be perpetuated no matter how strong the farm lobby can be.

Mr. Chairman, I am prepared to vote for the amendment to be offered by the gentleman from Illinois (Mr. FINDLEY) to limit the size of single subsidies to \$20,000 a year. I consider this proposal properly designed to control, as a first step, the excessive subsidies that saw more than 400 farmers receive payments in excess of \$100,000 during 1967.

I also prepared to support the amendment to be offered by the gentleman from California (Mr. EDWARDS) to violation of existing civil rights legislation. Our farm program is not above the law and I was sorely distressed by recent disclosures of expenditures in violation of civil rights legislation.

While voting for these amendments I shall vote against the appropriation because of the distorted sense of values symbolized by the legislation. We are asked to vote \$5 billion in subsidies and a mere \$1.5 billion to feed the hungry in this Nation. This is a great and tragic irony and shows a confused and dangerous sense of priorities. As long as there are hungry people we should not be plowing food under. As long as there are hungry people they should receive our highest priority. Instead we get a minimum food for the hungry appropriation in the midst of an excessive subsidy appropriation for large farmers who neither need nor deserve these outlandish subsidies.

We should be doing much more for the hungry in this Nation. At a period of such great prosperity it is a continuing shame that there is hunger and malnu-

trition in many parts of the United States. Our failure to properly attack the problem of hunger is especially disappointing and totally unacceptable as we move toward what will probably be routine approval of wasteful subsidies.

Obviously our priorities are unbalanced—as unbalanced as the ratio between a \$5 billion subsidy and \$1.5 billion food for the hungry program. I shall vote against this appropriation in the hope that we can discern the difference between need and waste and thus reorder our priorities.

Mr. WHITTEN. Mr. Chairman, we have no further requests for time.

Mr. LANGEN. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

DEPARTMENT OF AGRICULTURE
TITLE I—GENERAL ACTIVITIES
AGRICULTURAL RESEARCH SERVICE
SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production, utilization, marketing, nutrition, and consumer use, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work: *Provided*, That appropriations hereunder shall be available for field employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$25,000, except for six buildings to be constructed or improved at a cost not to exceed \$55,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$7,500 or 7.5 per centum of the cost of the building, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for facilities at Beltsville, Maryland:

Research: For research and demonstrations on the production and utilization of agricultural products; agricultural marketing and distribution, not otherwise provided for; home economics or nutrition and consumer use of agricultural and associated products; and related research and services; and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100; \$130,182,000, and in addition not to exceed \$15,000,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 shall be transferred to and merged with this appropriation, of which \$710,000 shall remain available until expended for plans, construction, and improvement of facilities without regard to limitations contained herein: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That none of the funds appropriated in this Act shall be used to formulate a budget estimate for fiscal 1971 of more than \$15,000,000 for research to be financed by transfer from funds available under section 32 of the Act of August 24, 1935, and pursuant to Public Law 88-250;

Mr. SISK. Mr. Chairman, I move to strike the last word.

(Mr. SISK asked and was given permission to revise and extend his remarks.)

Mr. SISK. Mr. Chairman, I yield to my colleague from California (Mr. MILLER) for a brief announcement.

Mr. MILLER of California. Mr. Chairman, I want to thank the gentleman.

I just got back here, but I wish the RECORD to show that the three astronauts are back on the carrier and we have had another successful flight.

Mr. SISK. Mr. Chairman, we have had a demonstration, it seems to me, just a little while ago of what can happen when only a little light has been shed on a subject. It seems to me that we are talking about a subject on which there needs to be a lot more light placed. I do not claim to be any farm expert or to be one who can shed all of the light by any means on this subject that is necessary, but I do happen to represent a number of people some of whom I might say have been referred to by my good friend from Indiana (Mr. MADDEN) here this afternoon. It seems to me that without some knowledge and understanding of what our farm program actually is about and what these subsidies are used for has led to the greatest misunderstanding and to some of the most unfair charges against a certain segment of America that I have ever heard in the 15 years I have spent on the floor of this House.

Let me say that the funds provided for in this bill and which are made available to the American farmer through a variety of programs are generally for reimbursement of contributions that he is making to the agricultural economy of this country and to the stabilizing of our farm economy. Some of us are still around who can remember some of the things that happened in the late 1920's and 1930's and are aware of the fact that when a depression develops on the farm and the farmer's purchasing power ceases to exist, he can drag down the balance of the economy of this great country.

I sometimes wonder if some of the gentlemen who sound off here about some of these payments have ever talked to some of the financial institutions in this country who are engaged in the business of financing the American farmer. It would be interesting if you would review the recent record of the Farmers Home Administration and see the condition of literally thousands of farmers throughout this country who cannot meet their payments and who are unable to repay their production loans for this last year. It would be very interesting, I might say to my good friend from Indiana, if he would talk to the officials of the Bank of America in California who finance a great many of these farmers and find out how few of them have been able to repay their loans of last year.

I might say to the gentleman from Indiana that I looked at a recent set of books prepared by an expert accountant dealing with a farmer in my district who drew \$52,000 in subsidies on last year's crop. His situation right now is about at

the position where he is faced with bankruptcy because he has to make a choice. Recently he went to his bank and said, "What do you want me to do? I can either meet my payments on my farm implements or pay you and let the farm implements go back and get into some other kind of business." The fact is that this gentleman and hundreds of thousands of gentlemen like him use that money which they receive through these programs to pay their taxes on their land and to pay the interest on money they borrow and to pay for irrigation assessments and to pay the labor which is required to produce that crop. As a result, he came out this year at the little end of the horn, with no profit whatsoever, in spite of the fact that he had received \$52,000, as I say, in Federal payments.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. SISK. My good friend from Indiana has been talking for a long while. I would like to have a little time to talk, too, and then I will be glad to yield to him.

Mr. Chairman, I recognize that I mentioned the gentleman's name, and I will say to him that I will yield to him at a later time. However, let me continue now with my statement.

We talk about these enormous payments. I recognize that we are facing in the next couple of years a revision of some of the provisions of our farm program. I am sure any of us can point out many things that we would like to see changed—things which we would like to see improved.

I am not sure how many of these things may be improved upon or changes that might occur through amendments, perhaps, offered by the Committee on Agriculture of the House and of the other body when faced with the necessity of bringing to this floor for authorization a bill for either the extension of the present farm program or for a new farm program. If we are going to attempt to change the program and to revise policy, that is another question. Then there is a question of the right time whether it comes this year or next year, but it seems to me there should be a proper time and a proper opportunity to try to change a given policy.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. Sisk was allowed to proceed for 5 additional minutes.)

Mr. MADDEN. Now, Mr. Chairman, will the gentleman from California yield?

Mr. SISK. I now yield to the gentleman from Indiana.

Mr. MADDEN. Would it not be a deplorable situation if all the businesses in my district out there which is an industrial area did not make a profit at the end of the year and they came to the Federal Government and wanted the Federal Government to bail them out? If that should take place with big business all over the country our Government would be ruined in the next few months. It is my understanding that there is in California a county by the name of Kern where there is being paid

in these subsidies the amount of about \$20 million. How can any given county justify receiving \$20 million under this program?

Mr. SISK. I shall undertake to answer the question of the gentleman from Indiana, but I would prefer that he would not make a speech.

Mr. MADDEN. Can the gentleman explain why one county needs \$20 million and why another needs \$19 million under this farm subsidy?

Mr. SISK. I would say to my friend that I believe both counties he mentioned are not in my district, but I do have counties in my district which receive substantial payments and they happen to be Fresno County and Merced County. But let me say to my good friend that there are many subsidies. There are all kinds of subsidies and I am not at all sure but what there are not substantial businesses in the gentleman's district which are receiving high payments in subsidies. I have during the past 15 years supported billions of dollars in subsidies for a variety of businesses in this country all the way from airline subsidies, railroads, shipbuilding subsidies, and a whole variety of things.

Let me say to my good friend from Indiana that I recognize what we are attempting to do here is to try to reach some balance in our economy. I do not begrudge the fact that our railroads, for example, have to be subsidized.

Mr. MADDEN. If the gentleman will yield for one very brief statement—

Mr. SISK. All right, I yield for a brief statement.

Mr. MADDEN. There are some businesses, including oil refineries, in my district which are receiving subsidies, but they are getting it through some tax loopholes.

Mr. SISK. I agree that there are some loopholes here and there, as my good friend well knows.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Illinois.

Mr. FINDLEY. The gentleman from California cited the plight of a farmer in his district—

Mr. SISK. I could cite many more.

Mr. FINDLEY. But the gentleman cited one specific case of a farmer who was not able to make it after getting payments of \$35,000.

The question which comes up in my mind is this: Is this investment by the taxpayers worthwhile, first; and, second, if this were not enough money to enable that farmer to get by in his farming operations, how much money does the gentleman from California think we should provide to this individual?

Mr. SISK. I would like to say to my good friend from Illinois that I have heard a good deal in the past along this line. We had, for example, an operation called the land bank, and I understand that there is now pending a proposal to come out of the new administration with reference to the Department of Agriculture as to how to stabilize through some type of land bank or soil bank our agricultural economy.

When you get down to it, in a large

measure we are asking private individuals to carry this burden, and do the same thing today for the purpose of stabilization. Does the gentleman propose to ask them to do it free of charge?

I am curious to know at what point our Federal obligation begins and ceases in connection with this. Do we propose to go into an arrangement with the farmers and purchase the land outright? And I am also curious to have the comment of the gentleman about how many billions of dollars would be involved if we propose to do it that way rather than bringing about a cooperative coordinated program where individual farmers through cooperation with a program can simply receive reimbursement for their contribution to the program. Because this is exactly what our farm program is intended to serve.

Am I right or wrong?

Mr. FINDLEY. If the gentleman would yield further, we have the opportunity here today to provide the answer to the gentleman's question. The answer is \$20,000 should be the limitation to the farmers in payments. That is as far as I believe we should be willing to go.

Mr. SISK. I am sure my good friend recognizes the fact that merely by looking at the record, even taking the record that my good friend from Indiana is talking about of the American farmers and the amount of land that they farm, the volume they farm, that a \$20,000 limitation means a substantial number of individual farmers are going to have to operate outside the program, and therefore not contribute to the stability on other limitations on your soil bank or on the soil conservation program, because otherwise they cannot pay taxes on their land.

After all, would the gentleman like to take these lands off the tax rolls and spend the billions necessary to acquire title to them?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. FINDLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the distinguished chairman of the Committee on Appropriations made some remarks just a few moments ago to which I listened as intently as I possibly could, and if I caught their drift correctly the chairman was telling us that it was highly inappropriate for use to put legislation on an appropriation bill.

Maybe I misunderstood the gist of his comments, but I believe that was it. If that is the case, then I would draw the attention of the gentleman to page 39 of the bill now before us, section 510. If anything is legislation on an appropriation bill, it is that section.

Furthermore, on page 30 of this same bill, under "General administration," it says: "Not to exceed \$250,000 of funds contained in the working capital fund established under authority of Public Law 78-129 may be used to carry out responsibilities under the Civil Rights Act of 1964."

Once again we are clearly legislating on an appropriation bill. Now, I can understand why the Committee on Appropriations would reserve to itself certain

privileges, but if legislation on an appropriation bill is all right in committee, then why is it not all right here on the floor?

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. Yes, indeed; I am glad to yield to the distinguished chairman.

Mr. MAHON. My feeling is that wherever reasonably possible we ought not to put legislation on an appropriation bill. We try to hold legislation to a minimum, but always—or most always in appropriations bills—there are some legislative provisos or limitations. And in my previous statement, which I now emphasize, I am merely taking that position: Let us undertake to keep appropriation bills as free as reasonably possible of legislative provisions, and let us not undertake to pass an amendment which in effect would repeal certain important present farm laws of the 50 States of the Union, and throw us back to the law of 1958. This would cause pandemonium in a portion of the farming industry. This would be costly to both the Government and the farmer, particularly the cotton farmer.

Mr. FINDLEY. Mr. Chairman, I thank the gentleman, but the problem we confront is that at this time last year the leadership of that legislative committee was telling us "Give us just 1 more year, give us 1 more year to deal with this problem," and yet here the year is almost up and hearings have not even begun on general farm legislation.

I believe the patience of many Members is running out, and that it is high time we took action without waiting for the legislative committee.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman.

Mr. MAHON. The point is that the new administration is now coming into power. Now, the administration of the gentleman's own political faith, as the gentleman knows, has not yet had time to formulate its policies and make its recommendations to the Congress. It is working diligently on the matter. The gentleman's administration, as you know, has come out in opposition to the amendment that the gentleman proposes to offer.

The farm law will expire in 1 more year so there is no way to avoid action by the Congress it seems, and I am sure the Committee on Agriculture is busily engaged in trying to find ways—

Mr. FINDLEY. It has not even begun this job. It is a fact—it has not even begun this job. If we go along at the present pace, in a very short time we are going to be confronted with the same emergency situation which prevailed last summer and which supposedly required the extension of the same program that we have now including these gigantic payments.

I do not mean to press this unduly, but it does seem to me that the patience of many Members of this House is beginning to run out and they have every right to consider in this appropriation bill a limitation of \$20,000 on how much the individual farmer can be paid.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I am glad to yield to the gentleman.

Mr. MAHON. The gentleman realizes that if his amendment is adopted, this will invalidate a large section of the present farm laws and would have very far-reaching effects and it would be in effect repealing the present farm legislation relating to cotton.

Mr. FINDLEY. If I may respond to that, it is true that the present program has in it what is called the snapback clause. But that very same clause also provides the Secretary with authority to carry out the new cotton program, which would be effected through the "snapback" by means of simultaneous purchase and sale, which is a very fancy expression for "direct payments."

So it is my opinion that this same \$20,000 limitation could be applied to the program brought into effect by means of the snapback clause. Therefore the budget savings would indeed be considerable.

Mr. MAHON. But if the gentleman will inquire of the Secretary of Agriculture, he will find that going back to that program will cost immeasurably more, by the tens of millions of dollars, and that it would be unworkable in the view of the present Department of Agriculture. The gentleman's amendment should be rejected.

Mr. PUCINSKI. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I come from a large urban area, but I am very disturbed by this bill and how it affects the agricultural community of America.

This is a \$6.6 billion measure pending before this House. We appropriate all this money supposedly to help the farmers, as we have all these years, and yet it appears the farmer is worse off today than he has ever been.

I read this morning a column by the distinguished agricultural editor of the Chicago Tribune, Richard Orr, who I think would make a great Secretary of Agriculture.

He said in his column this morning:

At the start of this year the number of farms had dropped to about 2.9 million, lowest in more than 75 years. The farm population of a little more than 10 million is only about half that of 20 years ago and only a third of what it was 50 years ago.

Earlier in this debate, the gentleman from California made a plea for this huge program of subsidies and told us how it affected the farmers.

If the program is so good, why are these farmers leaving the farm in such large numbers and coming into the cities and trying to make a living there? Their migration off the farm creates serious problems in housing and training for the host community.

Mr. Orr further says:

Many people find it hard to believe that the farmer is actually getting less per unit for some basic commodities, such as corn and wheat, than he did some 20 years ago.

Altho farm prices continue to sag, farmers have to spend three to four times as much as they did 20 years ago for implements, machinery, and materials needed to produce.

Last year, prices farmers received for their products averaged 4 per cent less than those in the period 1947-'49, and prices for some commodities, such as corn and wheat, were much lower. In the last two years the prices farmers received averaged 74 per cent of parity, lowest since 1933 when the great depression was on.

He concludes:

The farmer's return from the foods in the market basket went down 2 per cent as the costs of processing and marketing these foods increased 52 per cent.

Mr. Chairman, I have a great deal of confidence in Mr. Orr and in his judgment. I accept this statement as a fact.

I raise this question: If indeed the points made by Mr. Orr in his column this morning are correct, then isn't there something basically and tragically wrong with this legislation?

It occurs to me that it does not reach the people it is designed to reach as Mr. Orr points. Therefore, I feel strongly the amendment offered by the gentleman from Illinois (Mr. FINDLEY) and the gentleman from Massachusetts (Mr. CONTE) has validity. I think if we delete these large payments and rewrite the legislation to free up the money that is now going to the chosen few, perhaps we can start bringing order out of what appears to be considerable chaos in the farming communities of this country.

This legislation, for example, deals with the food stamp program. There is a large appropriation for that. I think there is validity in the statement made by the Secretary of Health, Education, and Welfare, Mr. Finch, the other day that perhaps the best way to deal with the problem of the hungry, instead of giving them food stamps, is to give them cash. Let the poor go out and buy the food, simply because, as I was told the other day by the director of county welfare in Chicago, many people do not have the basic money to purchase food stamps. The basic food allotment they get from public aid is not enough to buy food stamps to take full advantage of this program. So it would seem to me that the Committee on Agriculture and the Appropriations Committee should address themselves to the basic problems.

I said last year that the great depression of America, in the early 1930's, started on the farm. I am disturbed about what is happening on the farm again. It seems to me the program we have here today is merely a repetition of what we have been doing year after year. In the bill before the House we would provide \$6.6 billion, when some of the most distinguished observers of the agricultural community have said that the program is not working.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Illinois.

Mr. FINDLEY. I want to thank the gentleman for his support of my amendment; secondly, to second the nomination of Dick Orr to be the next Secretary of Agriculture, and in doing I mean no lack of respect for the present Secretary, Mr. Hardin, who began his administration with a statesmanlike decision on soybeans.

Furthermore, I wish to point out that if a limitation in payments is established, it would begin to reverse the trend toward bigness in agriculture. It is obvious that when the Boswell Co. or the Kern County Land Co. get anywhere from \$1 to \$4 million a year out of the U.S. Treasury, they have the resources with which to expand their operation and buy out the little fellows.

Mr. PUCINSKI. The gentleman is correct. I cannot put my fingertips on the figures, but there is no question that the size of the American farm has been growing every year simply because the big, corporate farm is driving out the small farmer from business with the huge Federal subsidies we have been paying.

Mr. BURTON of California. Mr. Chairman, I move to strike the requisite number of words.

I have supported every single farm bill reported out of committee by the Committee on Agriculture, and I have supported all the agriculture appropriations. I may well support this final agriculture appropriation bill. I am not yet certain.

There is a point or two, however, during the course of this debate that I think ought to be spread on the RECORD. The first point I would like to stress to some of my colleagues on my right. I would like to point out that in the State of California large cotton growers, consciously and explicitly have thrown their lot in with the grape growers in an effort to frustrate the grape workers' effort to organize into a collective bargaining unit of their own choosing. I stated in private, and I will say now publicly that if they are going to use the increased largess made available by Federal programs to cripple the rights of those who work on the farms and in other aspects of the agriculture industry, they will do without my vote. Hence I am going to vote this time, and I voted against last time, the payment limitation.

There is another general observation I would like to make to those of my colleagues on this side of the aisle, and that observation is this, that those of us from the cities may well find ourselves voting for the last time for agriculture legislation until we reach that point in time when those who work for large corporate farmers are given a legitimate and meaningful right to organize into unions of their own choosing. And when I say "meaningful right," I do not mean that phony bit of legislation I saw floating around here the past few weeks. I mean a meaningful effort under the old Wagner Act terms for the farm workers to select a bargaining agent of their own choosing.

In the absence of this right to those who work on the farm for the large farmers of this country, Members may well find themselves in a position where they will be doing without the votes of us from the cities, who have been supporting the agriculture program ever since we have been elected to the Congress.

Mr. DENT. Mr. Chairman, I move to strike the necessary number of words.

(Mr. DENT asked and was given permission to revise and extend his remarks.)

Mr. DENT. Mr. Chairman, I do not intend to get into this legislation from the basis of figures. My State has about 93,000 farms. My district has about one-fifth of its population in the farming business. The largest single payment in my district is about \$5,000, and it is paid to an educational institution for not planting wheat.

What happened in this case was that they stopped farming for their own use. They decided, after some farm agent explained it to them, I am told, to just not to plant wheat, and just let the farm stand. They would then get a subsidy payment, and they could buy their farm needs in the marketplace.

There is something radically wrong with that. That is why I have voted against the farm program for years.

The grape problems are not new. The gentleman from California stated it, but some of us may have to know more about it. My committee, investigating charges made in the grape fields of California, went to California and sat for hearings. We discovered a large corporation, in fact a corporation in the distillery business, had, during the time of the war, because of the shortage of grain for alcohol, decided to go into the wine business. They were in a position to arrange tie-in sales with a large number of liquor dealers to buy wine by the carloads in order to get their quota of liquor. They were organized by an affiliate of the American Federation of Labor, and they had 800 acres in grapes we were informed during our hearings.

The men who signed a contract with these distillers were not experienced in the ways and means of those who hold corporate entity offices. Therefore, right after the contract was signed, the distillers shut down the grape fields in their own name, and leased them out to somebody not tied to the contract. There has been a war ever since to renegotiate a contract with this grape grower.

Today we are talking about cutting down on the educational programs in our country. The Appropriations Committee, I understand, will cut down very needed programs that the States are dependent upon and the children of our country are dependent upon.

Yet we go along, willy-nilly, handing out this money every year without regard to need.

Certainly the gentleman from Ohio is correct when he says that the reaction to any limitation of \$20,000 on a per farm basis will result in a breakdown of the large corporate farms into smaller units, because they are not going to hold that land, as they now hold it. They hold it only for the purpose of getting the subsidy. Certainly they owe a great deal of money. Why wouldn't they? They buy every farm they can get their hands on, and naturally they all owe a great deal in mortgages, but money they get from the Federal Government takes care of that.

In fact this farm program lends itself to the purposes of monopolies in the field

of agriculture. I have gone into this thoroughly in the last 5 years. There is a piece of legislation we have introduced which will take care of it. The only answer to it is to phase it out. What this legislation will do is limit payments to family-owned farms, to farms which provide the sole income base of the person who receives the subsidy, and it is to be phased out in 5 years. Unless we do that, as the gentleman from Illinois said, we will have more and more farmers farming their talents out in the streets of New York and the ghettos of our cities, because that is where farmers who are pushed off the farms go—to the cities.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I compliment the gentleman from Pennsylvania for his observations and for the excellent speech he has made on the floor.

The gentleman is absolutely correct when he says the wealthy farmers are making millions of dollars. What they are doing is holding this land collecting subsidies and waiting until the day when they can subdivide that land and make millions of dollars selling it.

Mr. DENT. Mr. Chairman, the owners go further than that. The so-called Wall Street farmer comes out into our area and turns it into thoroughbred horse race raising and stocked with fancy cattle. He takes his income from his professional activities and plows it into the farm. He decorates the place with great, fancy, big, red-and-white barns and very fine stock, prize stock. He runs the price up for the ordinary farmer who is trying to buy a decent bull to better his herd. Then the wealthy farmer takes a loss every year and pays no income tax on his ordinary income, and gets subsidies plus capital gains preferential tax treatment when he sells the beefed up farm property, well stocked, beautifully landscaped, adequately supplied with the finest farm machinery and the latest in appliances.

Mr. BURLISON of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the point which the gentleman from Pennsylvania was speaking to was the problem of the hobby farmer. He said the Wall Street farmer. The hobby farmer is the man we want to get to, with our closing of the loopholes on income tax, which will come before this body probably within this legislative session.

But I want to tell the Members that this legislation we are voting on today is not a windfall for the legitimate farmer in this country.

The gentleman from Illinois, the gentleman from Massachusetts, the gentleman from Indiana and their cohorts are today attempting by amendment to this appropriation bill to legislate retroactively. This issue—that is, payment limitations—was legitimately debated on its merits in this body during the last 3 days of July 1968. The amendment carried, but it was lost in conference.

Later in the year, or at the very latest sometime in 1970, the agricultural authorization bill will again be before this body. That will be the appropriate time to discuss the issue of a payments limitation.

As has been said so frequently by counsel much more sage than myself—for instance, the distinguished chairman of the Appropriations Committee, who just a moment ago said this same thing—this is not the place to legislate, while we are considering an appropriation bill. Much unwise legislation has been written on the floor of the House, and I admonish us not to duplicate that today.

The basic purpose of our present farm program is to bring supply into some semblance of balance with demand by controlling production. Success of the farm program is dependent upon attracting into the program the major producers. If they are forced out as they obviously would be by limitations on individual payments, the slack would have to be taken up by the small producer. If one of the fundamental goals of our farm policy is to protect the small farmer, is not that policy better served by taking 1,000 acres from one large producer than 10 acres from 100 small producers? If the program is to continue, then those acres must be taken from somewhere, if not from the large then from the small. When the Government makes these payments it is acquiring a right. Has there ever been a suggestion in this body that limitations be placed on payments for a highway right-of-way or for land for urban renewal?

The program has its inception prior to production because it is cheaper to retire acres before the expense of making a crop are incurred rather than purchase the crop after it has been produced. Under the Benson program in the Eisenhower years, it cost a billion dollars a year just to store surplus commodities. I submit that we are not ready for a repeat of that program.

Under our farm program we have been losing more and more of our family farmers. But it is submitted that if the limitations are approved, the corporate farm movement will be accelerated beyond anything we can conceive at this time. The large producers will not participate thereby depriving us of production control, bringing surpluses and depressed prices.

Our farm program cost is not excessive, when the subsidization of other segments of our economy is considered, for example, business through postal, import quota, tariffs, maritime industry, transportation industry, and other subsidies. And do not forget the public housing and model cities programs, among others, in our cities. And please do not forget that a larger and larger portion of the farm budget is not going to the farmer but to feed the poor and hungry of the city.

The thrust of the payments limitation theory is that the large producer gets more than his fair share of the money. But critics fail to recognize that these payments do not constitute profit. As pointed out by the distinguished chairman of the Agriculture Committee when

debating this question in the last session, these payments do not even pay the interest on the 7 to 8 percent mortgages in most instances. The larger farmer has greater capital investment and risk that goes with it. He has more expenses. He should have more money. The farmer's parity ratio is now 73 percent. Most proponents of the payments limitation will admit this is deplorable. I challenge them to explain how limitations can raise the farmer's parity. As has been stated in a book by Marion Clawson:

All available data point to the existence of large numbers of very low income farmers along with a moderate number of fair income ones, and few relatively good incomes—but even these latter may be rewarded less than their talents and capital deserve.

So remember that the amount may be large while at the same time the percentage return may be minuscule. This thought is buttressed by statistics given to this body last July by the gentleman from Iowa (Mr. SMITH). He stated that farmers earning less than \$1,000 a year get 45 percent of their income from the farm program. Contrast that with the fact that farmers making over \$20,000 receive only 3 percent from Government payments. In conclusion, the farm program is not a windfall for the wealthy farmer.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(Mr. BURLISON of Missouri, at the request of Mr. MAHON, was allowed to proceed for 3 additional minutes.)

Mr. MAHON. Now will the gentleman yield?

Mr. BURLISON of Missouri. I appreciate the gentleman's request for my time to continue, and I will be pleased to yield to the distinguished chairman of the Committee on Appropriations.

Mr. MAHON. The gentleman from Missouri is making a very interesting and able statement about the farm situation.

One thing that has not been highlighted here this afternoon is the fact that the people, generally speaking, have secured pay raises in recent years on several occasions. As the gentleman comes from a farm district, I believe—

Mr. BURLISON of Missouri. He does.

Mr. MAHON. The gentleman knows that the farmer is getting less today than he got 5, 10, 15, or 20 years ago for his production. The cost of production at the same time has skyrocketed. In view of the low cost of what he produces, there has to be some way, if the consumer is going to be able to continue to get foods and fibers at the low prices at which he gets them in the United States today, for the producer to survive. Is that generally correct?

Mr. BURLISON of Missouri. I thank the distinguished chairman for those remarks. We tend to forget that the wheat farmer, the cotton farmer, and the corn farmer are getting substantially less, far less, for their crops now than they were 20 years ago. Contrast that with what the farmer has to pay when he goes out to buy a cottonpicker or combine, or cornpicker. He pays 3, 4, 5, and 6 times more for that now than he did 20 years ago. Let us take a look at what the consumer gets out of this program. The farm program is fundamentally tailored to the

benefit of the consumer. Fifty years ago or perhaps not quite that, in 1929, the consumer in this country paid 25 percent of his income for food. Now in 1969 he pays 17 percent of his income for food.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. BURLISON of Missouri. I am pleased to yield to the gentleman from Connecticut.

Mr. GIAIMO. What the gentleman says may well be correct, but what has that to do with the corporate farmer we are talking about who does not live on a low-income level? The corporate farmer who is actually buying farms in order to qualify for the subsidy payments by not planting them. What has this to do with him? I am talking about the man who receives more than \$100,000 in subsidy. The corporation farmer in some cases is making hundreds of thousands dollars a year out of this. The argument the gentleman is using does not apply to this corporate farmer with the large income who is deriving benefits out of present law, the amendment of the gentleman from Massachusetts is designed to eliminate this inequity.

Mr. BURLISON of Missouri. But the argument does apply. As I have earlier stated the mess that our farmer is in today is not because of the farm program. It is in spite of the farm program. If we lose this farm program, this corporate farming concept is going to accelerate and speed up. We cannot conceive of what it will be 15 years from now.

Mr. GIAIMO. I think we have the responsibility to take care of the small farmer but not the corporate farmer.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

(Mr. CONTE asked and was given permission to revise and extend his remarks.)

Mr. CONTE. Mr. Chairman, I would like to ask a question of the gentleman from Missouri (Mr. BURLISON) who just preceded me in the Well. First of all, the gentleman mentioned at the beginning of his statement that we were trying through this amendment to make this retroactive. This only applies to the 1970 crop. My amendment, if the gentleman will read it, applies to the 1970 crop. Therefore, it is not retroactive. It runs parallel with this legislation.

Mr. BURLISON of Missouri. The gentleman is correct in that the way he read it, he interpreted my statement too narrowly, and the gentleman is technically correct. But the point I am making is that this should not be done in these last few days before July 1969. In my opinion the proper way in which to handle this type of legislation is to handle it when the next farm bill comes up early in 1970. That is what I intended by that statement.

Mr. CONTE. I get your point, but if you will remember, when I offered that amendment in 1968 it carried by a vote of 230 to 160, but then something happened between the time it left here and was received on the other side of the Capitol in the other body, where it was dumped.

The gentleman from Missouri says for us to wait until the legislative committee comes in with its bill for the extension of the agricultural program. We have about as much chance in that committee of getting a limitation on subsidy payments as Phyllis Diller has of becoming Miss America in 1970.

Mr. BURLISON of Missouri. Mr. Chairman, if the gentleman will yield further, I think you will find you will have just about as much chance of having it amended when it comes up in the legislative committee as we do now. I believe it would be far more legislatively sensible to do it through that process. In other words, you will have a better chance than you now have because you are flying in the face of proper legislative procedure.

Mr. CONTE. Well, I will say to the gentleman that I certainly do not feel that way. I feel we have the opportunity today to do it and I hope when the vote is taken that the amendment will carry. Then, if it needs perfecting, the representatives of the Department of Agriculture can go before the Senate Appropriations Subcommittee on Agriculture and perfect it in that committee.

The chairman of the Committee on Appropriations' heart bleeds for the farmers, and he talks about the recent pay increases that the Members of Congress have received as well as pay increases which have been received by others but, in effect, says that the poor farmer has not gotten anything.

Let me tell you that when this amendment was first adopted in the 1930's, 25 percent of the population were farmers and where, furthermore, the poor rural areas were the most desperately poor. Only a very small part of the subsidy money, perhaps no more than 5 percent, goes to farmers who are basically what one would call the rural poor in danger of malnutrition. So therefore, we are not hurting this "poor farmer" if we should adopt this amendment. The only guy we grab is the rich farmer, the guy who is getting richer and richer and richer. Further, there are some Members of the House of Representatives and some Members of the other body who should not even vote on this amendment today if they are receiving farm subsidies.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Of course I yield to the gentleman from California.

Mr. TEAGUE of California. Mr. Chairman, I confirm what the gentleman from Massachusetts has said. I have been on the Committee on Agriculture for 13 years. We are a house divided, and I am in the small part of that division. I have voted against the farm subsidy programs for a long time. I will confirm what the gentleman from Massachusetts has said. We have as much chance of getting a bill out of the House Committee on Agriculture to even phase out these subsidies, much less limit them, as I do of becoming the Pope and I am not even a Catholic.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Illinois.

Mr. FINDLEY. As I followed the speech by the gentleman from Missouri (Mr. BURLISON), I might point out the fact that the taxpayers would be about \$300 million worse off.

The former Under Secretary of Agriculture, Dr. Schnittker, issued a study recently prepared in the Department in which he estimated that a limitation of the very kind embodied in this amendment that will soon be before us would allow budget savings of up to \$300 million a year. I believe this is an item that should attract our attention in this period in which we are on the verge of extending the surtax, and where we are cutting back and cutting out many Federal programs. Surely we will reach for and seize this opportunity to save about \$300 million a year.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this debate has been going on for a long time, and I do not know how much light has been shed on the problem, but there are two or three factors that I believe should be brought out:

First, concerning the payment of subsidies. I was one of those who opposed the present farm bill, because I knew that the urban press and the other news media—as well as others—would be criticising the total amount paid.

That act, with all due deference to everybody concerned, was an effort to maintain the purchasing power of those engaged in producing food and fiber for the rest of the Nation.

I wrote the Library of Congress some time ago, and asked if they could give me an estimate of how much of the retail price that we pay for goods and services is raised because of the minimum wage law, the right of labor to organize and to strike, and so forth. They gave me a nine-page reply but the answer was in one sentence. They said they could not estimate it.

The difference between the farm programs and the rest of our programs is that when we passed laws for the benefit of the other segments of our economy—other than farming—the results were passed on to the consumer as a part of the retail price, rather than in the form of a check from the Treasury.

If Members want evidence of that, they will find it on page 3 of the report, where it is stated that since 1950 the farmer's share of the retail dollar has gone from 47 cents down to 39 cents. This means that through these various laws we have passed for the rest of the economy, the others are taking the difference between the 47 cents which the farmer was getting back then, and the 39 cents out of the dollar that he is getting today.

I thought it was a mistake to make the American producer sell at world prices, and yet have to buy on the domestic market where the retail price embodies this difference between the 47 cents and 39 cents.

I believe I will attempt to point out to the Members of the House what will happen if this amendment were adopted.

In the first place, the amendment is limited to the money in this bill. The Commodity Credit Corporation is a corporation we are dealing with contracts that this Congress led these producers to enter into in good faith. If you do not pay them, you will be breaking faith on those contracts.

But let me tell you how it would actually work. You would pay the same thing to the producers either way. What you would have to do is have two sets of books. Producers would get up to \$20,000 from the money in this bill, and get the balance of the payments due them—over and above \$20,000—out of the \$5 billion which the Corporation already has. And in the process you would end up with as much as a \$50 million increase in costs.

Second, under the snapback provision, you would go back to the 1958 law on cotton, and you would start paying the farmers 65 to 90 percent of parity. But under the amendment, when the Government had to lend him as much as he was getting under the previous law, the Government would have to pay even more.

Of course, my friend from Illinois and I have this colloquy each and every year. I do know this much and I say this to the Members: that the producers would receive the \$20,000 out of the money in this bill. Then, we would have to pay the remainder in good faith out of the \$5 billion the Corporation already has.

How much do you suppose employees collectively make out of the minimum wage law? Are you going to say that no company shall pay to its employees more than \$20,000 because of the minimum wage? Are you going to say that \$20,000 is the most any large corporation can pay to its employees, so as the break that corporation up into little two-bit companies?

Are you going to do that? Are you going to fix it so that half of us are going to have to go back to help work on the farm? I do not want to go back. I have tried it. If you do go back, you would have to have a \$72,000 investment on the average to get into farming today.

I know that many of you Members voted for this program. I did not, because I thought it was bad for the producer of raw materials if he had to look to his Government for a check for a part of his costs and all of his profits, while we let labor and everybody else include it in the retail price so nobody can identify it.

Mr. ABERNETHY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to commend my colleague (Mr. WHITTEN), the chairman of this subcommittee and my friend from the State of Mississippi for putting this issue on the line, right the way it is.

With all deference, some of you have had a good time here this afternoon at the expense of people who are not responsible for this program. I really do not think you understand the history and mechanics of the program or this problem.

My friend, the gentleman from Indiana (Mr. MADDEN) had quite an enjoyable time pointing to some people over in the Lower Mississippi Valley over what their payments were.

Let me remind you of something that happened when this bill came before us 4 years ago—the legislative bill—and the gentleman from Mississippi (Mr. WHITTEN) has already alluded to it. Not a single Member—not one single Member of the Mississippi delegation—not one—voted for the payment program—not one of us.

We knew then that the time would come when this very debate would take place in this House.

We knew then that the curtain would rise on the stage of trouble for the farmers this program was designed to help.

We went through this once before back in the thirties when they published the names in the paper of farmers who received payments. The name of one of my Senators had in such a manner been dragged through the mire of the press and also of the debate, on what he has received—and mind you he voted against this program. He did not support it. Yet, they kicked him around a bit which, of course, made good reading in the press; but bear in mind he did not support the program.

What have we done now? As the gentleman from Mississippi (Mr. WHITTEN) has just said, we made a contract—I did not do it—you did—most of you here made a contract with these farmers when Orville Freeman, then Secretary of Agriculture, brought this program to the Hill. You passed and adopted it. You did it over the objection of a large number of us who opposed it. I opposed it. I opposed it because I knew this very problem would arise.

Now, last year in response to my friend, the gentleman from Illinois (Mr. FINDLEY), we did ask for an extra year. We did it because we knew that a new administration was coming into power. We did it because almost all members of our committee, including the ranking Republican member, felt that we should have another year to give the new administration the time and the opportunity it needed to consider a new program.

Secretary Hardin is out moving around the country now talking with people and farmers. The President has others on his advisory staff doing the same thing.

I do not know what they are going to propose. I do not have any idea. But certainly it would be a bit presumptuous on our part to call Secretary Hardin before the committee now, before he is ready to testify, and inquire of what he wants. As yet he does not know. That is the reason we asked for and got—and it was like pulling eye teeth, I know that—and got an additional year.

Now, we made a deal with these people. We made a contract with them. We should live up to it.

I do not like the program. I do not like it at all. And I stood in the well of this House and spoke against it in 1965 when my friend from Indiana (Mr. MADDEN) was speaking for and voting for it. If he wants to quarrel about so-called fat cat farmers, as he calls them, he is just about 4 years too late. I know he is disappointed in his vote of 1965. I am, too. I wish he and others had voted as I

did then. I do not know whether the gentleman from Illinois (Mr. FINDLEY) or the gentleman from Massachusetts (Mr. CONTE) voted for it or not. I know there are several others here who are disappointed in their votes. I wish you had killed it then.

But now you have required these farmers to adjust their farming to this type of program. You have required them to cut their production back. If they do not cut it back, they have to produce under penalty. They could not market a single bushel of wheat, a single bushel of grain, a bale of cotton, or anything else, without paying a tremendous penalty to the Federal Government, and you would break them as a result.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

(By unanimous consent, Mr. ABERNETHY was allowed to proceed for 1 additional minute.)

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Illinois.

Mr. FINDLEY. Just to state that I have not at any point voted for any of these subsidy programs.

Mr. ABERNETHY. Well, good. But those here who did vote for this made it the law. They made it the program. This is what they did for, as well as to these farmers. This is what you told them they had to take, and I think we are obligated to pay for it.

Actually, we have not reached the point in the bill where this debate should take place. I hope we can get along with the bill and get to the point of the amendment and see where we stand.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Massachusetts.

Mr. CONTE. Certainly my amendment does not break any contract. It merely applies to the 1970 crop.

Mr. ABERNETHY. Well, I am sure you will not break any contract with the sugar refineries of Massachusetts which you propose to favor by leaving them out of your amendment.

Mr. POAGE. Mr. Chairman, I move to strike the requisite number of words.

I had hoped not to break into this interesting discussion on the limitation of payments, but I feel that the House is probably getting the impression that there is nothing of controversy in this bill except the limitation on payments. Generally, the committee has done an outstanding job. I congratulate the chairman of the full committee and the chairman and the members of the subcommittee. Theirs is a difficult job. They have done well but they are not perfect.

There is a matter which comes up on page 19, before we reach the question of the limitation of payments, to which I want to direct your attention, and that is the question of the school milk program. On May 10 this House voted, by a record vote of 384 to 2, to continue the special school milk program and to authorize \$125 million a year for that program.

I listened to the discussion about legislation on appropriation bills. The chair-

man very correctly suggested that we should avoid, as far as we could—and I agree with the chairman of the committee fully; that we should avoid as far as possible changing what has been fixed by legislation by a provision of an appropriations bill. It seems to me clear that the effect of this bill is to undo everything that this House did by a vote which amounted to almost 200 to 1 just 3 weeks ago.

I cannot conceive that there is much consistency in that sort of thing. If, in fact, we do not want a school milk program, we should have voted against it on May 10 when that was before us. On the other hand, if, in fact, those 384 Members of this House were sincere in wanting to provide a school milk program as I am sure they were, then we should fund it in this bill and not repudiate what we have just done within the past 3 weeks. I cannot conceive of anything which is a more direct repudiation of legislation than what is done in this bill in regard to the special school milk program.

I know the report says "Yes," but we are making \$20 million available to take care of needy children, who would otherwise have been able to get school milk under the existing special school milk program. That is \$105 million less than this House suggested just 3 weeks ago.

It eliminates every child unless he can prove he is a pauper. It eliminates every little child who cannot prove he or she is a pauper, and his or her parents do not have any money.

I do not like that sort of thing. I am not going to be a party to saying that a program of this Congress should be opposed simply because it helps some people who are not new voters, who are not members of groups which we think may influence an election in some way. Nor am I going to say it is wrong to provide some kind of help for the great masses of Americans regardless of their economic situation.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Chairman, would the gentleman advise the House whether it is his intention to offer an amendment at the appropriate time?

Mr. POAGE. It is my intention to offer an amendment to finance program at \$120 million, which is the present authorization figure in the existing law.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Vermont.

Mr. STAFFORD. Mr. Chairman, I congratulate the gentleman on the statement he has just made, and I associate myself with his statement.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from California.

Mr. TEAGUE of California. Mr. Chairman, we will have an opportunity to discuss this further when the gentleman's amendment is offered. However, I offer this observation at this time. In my view the school milk program is a subsidy for the dairy industry. I was one of the two

who voted against it. It is simply a subsidy for the dairy industry in my view. If my colleagues wish to support it for that reason that is understandable but let us not deceive ourselves that the \$125 million involved does much for the truly needy.

Mr. POAGE. Mr. Chairman, the school lunch program does help needy children. It does help needy children and children who are not so needy. It does provide nutrition which is needed. It is the only nutritional program which this Government now has in operation.

I do not say it is the only feeding program. It is not. We have one dozen feeding programs. We have programs which give away food and fat and meat and beans and asparagus.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. POAGE was allowed to proceed for 3 additional minutes.)

Mr. POAGE. Mr. Chairman, we have programs which give away all kinds of food, but we have not a single one which is based on nutrition except the school milk program. It is, in fact, a nutritional program. It is based upon nutrition.

I am not one who is going to vote against a program of nutrition even though it helps some dairy farmers. I do not think there is anything evil in being a dairy farmer. I was a dairy farmer myself for 10 years, and I almost went broke at it. Fortunately I finally had the good sense to get out. I could not make a living out of it. But the fact that a man is in the dairy business does not mean that it is vile or evil to help him. I hope this program does help dairymen. The more people one program helps the better.

Dairy people provide for our children. They have done so for years. The dairy people help this Nation. I do not see why we should find a program reprehensible simply because it will help the dairy people. I think it will help dairy people. I think it will help other people. I think it will help the children from middle-class families. I do not see that there is any crime in that. Some Members seem to take the position that anything is vicious and wrong unless it is confined to those on whom we can put on the label of poverty.

I am not trying to put the label on anybody. I am trying to keep the label off. I am trying to help the dairy farmers. I am trying to help the well-to-do families. I am trying to help the poverty-stricken families. I am trying to improve the nutrition of as many schoolchildren as possible.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from California.

Mr. TEAGUE of California. I certainly do not for a moment consider the dairy farmers to be evil. I merely want to make my point that in my view that dairy subsidization is the real purpose of this bill.

Mr. POAGE. I wish the gentleman would get a little time of his own. I have only a few seconds remaining.

I would call attention to the fact that when this bill deliberately refuses to maintain a program we have had for 14

successful years and destroys the opportunity to do what this House voted to do by a vote of more than 190 to 1 just 3 weeks ago, which is in effect legislation on an appropriation bill. While I had not planned to raise any point of order, it might be raised. I believe such a point would be good. I believe, however, we should pass upon this matter on its merits, and I certainly hope that the committee will accept this amendment.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I am glad to yield to the gentleman from Illinois.

Mr. PUCINSKI. I congratulate the gentleman for preparing the amendment. Without the assurance that the gentleman would offer the amendment I am certain the point of order would be made.

Mr. POAGE. I will offer the amendment.

Mr. WHITTEN. Mr. Chairman, could we have some agreement on time on this section? I ask unanimous consent that debate on this section conclude in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. GERALD R. FORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Under the unanimous consent agreement, all debate on this section will conclude in 10 minutes.

The gentleman from Michigan will state his parliamentary inquiry.

Mr. GERALD R. FORD. Could the Chair enlighten us on the section we are talking about? If my recollection is correct, the Clerk has not started to read any section.

The CHAIRMAN. The Chair understands that the Clerk has read through page 3.

Mr. GERALD R. FORD. Mr. Chairman, I have been here ever since we went from general debate into the reading of the bill, and others have, also, and all of us have no recollection of hearing the Clerk read any section yet.

The CHAIRMAN. The Chair will advise the gentleman from Michigan that the Clerk did begin reading and has read through 1 paragraph, it concluding on page 3, line 25. So the unanimous-consent request of the gentleman from Mississippi would apply to all debate on this paragraph.

The Chair is advised that the following Members were standing at the time the unanimous-consent request was made: The gentleman from Mississippi, Mr. WHITTEN; the gentleman from Texas, Mr. ECKHARDT; the gentleman from Louisiana, Mr. WAGGONER; the gentleman from New York, Mr. OTTINGER; the gentleman from California, Mr. TEAGUE; the gentleman from Indiana, Mr. MADSEN; the gentleman from Texas, Mr. ROBERTS; the gentleman from Texas, Mr. PURCELL; the gentleman from Washington, Mr. MEEDS; the gentleman from Minnesota, Mr. QUIE; the gentleman from Minnesota, Mr. LANGEN; the gentleman from Massachusetts, Mr. CONTE; and the gentleman from Connecticut, Mr. GIAIMO. Therefore, each Member

heretofore named will be recognized for approximately 47 seconds.

Mr. POAGE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. POAGE. I heard the minority leader's question, but I did not understand the answer. Where is the end of the first section?

The CHAIRMAN. Page 3, line 25, is the point at which the Clerk stopped reading.

Mr. POAGE. I understood that, but where is the end of the first section of the bill? The gentleman from Mississippi asked unanimous consent that we consider the first section as read. There are no sections in this bill.

The CHAIRMAN. The Chair will respond to the inquiry of the gentleman from Texas by stating that the Chair interpreted the request of the gentleman from Mississippi to be that it applies to that portion of the bill which the Clerk has read. The first section of the bill goes all the way over to page 30, it being title I of the bill, actually. So nothing is being done by this request or in this action to foreclose debate on any of the remainder of title I.

The Chair now recognizes the gentleman from Connecticut (Mr. GIAIMO).

(Mr. GIAIMO asked and was given permission to revise and extend his remarks.)

Mr. GIAIMO. Mr. Chairman, I rise to support the amendment which will be offered by the gentleman from Massachusetts (Mr. CONTE).

Over and over again, the American taxpayer has shown his willingness to support this Government and this Nation financially and otherwise, but his patience is wearing thin.

Two things anger him. He is sick of seeing certain rich individuals absolved from paying their fair share of taxes because of loopholes in our tax laws. I am sure that the distinguished members of the Ways and Means Committee, who are now conducting extensive hearings on tax reform, have firsthand knowledge of this discontent.

The American taxpayer is also becoming disgusted because his hard-earned money is not being used to solve the obvious problems which exist in this country. He is more than willing to help the poor; he is more than willing to help our senior citizens; he is more than willing to help support our defense effort; but he wants to see results.

Last week I rose to denounce the loose spending and squandering of billions of tax dollars by the Defense Department. I am pleased that my colleague from Illinois has pointed to another equally outrageous waste of our precious fiscal resources.

Many Federal programs are being eliminated or cut back because of the need to save money, but unless this amendment is adopted, the wealthy in America will still receive this inequitable dole.

What are we going to tell the American people this time? How can we explain to our senior citizens that needed social security increases might not be adopted

when, at the same time, we continue to pay huge sums to wealthy farmers for leaving acreage unplanted?

How can we explain to our struggling taxpayers that we have to extend the surtax when, at the same time, we could be saving, according to the Department of Agriculture, anywhere from \$200 to \$300 million?

How can we tell those that are hungry that we cannot afford food programs for them when, at the same time, we continue to subsidize rich farmers for not planting wheat?

The American people are not ignorant, nor are they blind. They can see where their money is being spent, and they do not like it. If we fail to approve this amendment, and thus continue to shell out millions while our urgent problems go unsolved, how can we explain this to them?

This amendment would not affect the small farmer who desperately needs help. It would not cripple the wealthy farmers, who would still receive \$20,000 each in subsidies. Moreover, according to the Department of Agriculture, this limitation would have "no serious effect on production or on the effectiveness of production adjustment programs."

When this amendment was introduced last year, opponents maintained that a change in this policy should not be debated during consideration of an appropriations bill. They claimed that a better proposal could be developed in committee if we would only give them a chance.

Nearly a year has passed and what has been done? Hearings on this issue have not even been scheduled. Is it any wonder that the American taxpayer is becoming impatient with us?

It is no longer a question of whether we in the Congress can wait, it is a question of whether the American public will wait. We have a mandate from the American people to act, and we must act—not next month, not next year, but right now.

This amendment gives us an opportunity to show the American people that we are responsive to their wishes. Especially now, we cannot afford to let them down.

I strongly urge adoption of this needed amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. MEEDS).

(Mr. MEEDS asked and was given permission to revise and extend his remarks.)

[Mr. MEEDS addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. PURCELL).

(Mr. PURCELL asked and was given permission to revise and extend his remarks.)

Mr. PURCELL. Mr. Chairman, I would like to ask the gentleman from Illinois (Mr. FINDLEY) one question. Does it not seem logical to the gentleman that if there was an interstate highway being built through the State of Illinois and if a part of this highway went through a large farm, does the gentleman not agree that this landowner should receive pay-

ment for the number of acres that was taken just like a small farmer might be paid for the smaller number of acres that would be taken?

Mr. FINDLEY. If the gentleman will yield,

Mr. PURCELL. I yield to the gentleman.

Mr. FINDLEY. Let me say that I understand the time limitation is about 47 seconds for each speaker. I am afraid, however, that I do not get the gist of the question.

Mr. PURCELL. If the gentleman from Illinois will study the question I would like to have his answer after he understands the question.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. ROBERTS).

(Mr. ROBERTS asked and was given permission to revise and extend his remarks.)

(By unanimous consent, Mr. WAGGONER yielded his time to Mr. ROBERTS.)

Mr. ROBERTS. Mr. Chairman, I think there seem to be as many opinions of what a farmer is as there are members of the delegation here today. According to my friend the gentleman from Massachusetts (Mr. CONTE) I would not be able to participate or to vote on this because I am a farmer. I have a half interest in 700 acres of land in Texas which is good farmland. Normally I run about 100 acres of wheat, about 200 acres of cotton, and about 300 acres of row crops, with the rest in pasture. One of my big newspapers did a story about the subsidy that I get and how much I get an acre. They came up with the fact that I get \$393.13, according to the news story. The gentleman from Indian was talking about the Litchfield, Ariz., project. I happen to be familiar with this project, because I happened to do Navy duty there. They have about 100,000 acres of irrigated cotton land where they raise three or four bales an acre. They raise approximately 300,000 bales, and they take it all out of there. They get paid on the basis of how much they take out. In my 200 acres of cotton I raise half a bale and get 100 bales, maybe. So they pay me \$393.13. Nobody pointed out that the tenants farming that land get four times that much. It is not just going to the landowner. Somebody is going to have to feed the country, and I hope it will be these farmers.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. TEAGUE).

(Mr. TEAGUE of California asked and was given permission to revise and extend his remarks.)

Mr. TEAGUE of California. Mr. Chairman, I commend the Committee on Appropriations for its decision not to fund the special milk program. Let me give you the reason for making this statement. I have in my congressional district 8 or 10 nonprofit, nonparochial private schools with an enrollment of about 1,500 students. The average net wealth of the parents of these children I would guess is at least \$500,000 or perhaps more, while all of the taxpayers of this country are furnishing to these schools free

or subsidized milk. These parents are perfectly able to buy milk for their own children. This is not a program which should be intended to support children in this category.

Remember this program is costing \$125,000,000 a year.

The CHAIRMAN. The chair recognizes the gentleman from Indiana (Mr. MADDEN).

Mr. MADDEN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. OTTINGER).

(Mr. OTTINGER asked and was given permission to revise and extend his remarks.)

Mr. OTTINGER. Mr. Chairman, I rise to advise the committee that at the appropriate time I will move to amend this appropriation bill by prohibiting the use, distribution, or purchase of pesticide applications in violation of State laws.

Mr. Chairman, there are certain non-degradable pesticides which are causing great damage and which are actually threatening the survival and safety of human beings. Two States now have laws which prohibit the use of chlorinated hydrocarbons and other States are considering such legislation.

The effect of the amendment which I propose to offer would only be to subject the Federal Government to the same laws that operate in the several States, as respects the use of chemical pesticides. I shall also offer an amendment to outlaw the entire use of the persistent pesticides by the Federal Government.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Texas (Mr. ECKHARDT).

(Mr. ECKHARDT asked and was given permission to revise and extend his remarks.)

Mr. ECKHARDT. Mr. Chairman, I address myself to a point in opposition to the Conte amendment. I would favor the Nelsen amendment, if it is germane.

Mr. Chairman, the Secretary of the Department of Agriculture has made available to us today a statement which reads as follows:

However, to make such a limitation effective legislative changes are needed. With only the simple amendment that is possible in connection with appropriation bills, the so-called "snap-back" provision for cotton would come into effect. The cotton program would then become subject to a loan-and-redemption or a buy-and-sell-back arrangement that would increase costs while the large producers would escape the intent of the payment limitation.

Mr. Chairman, I do not believe the amendment will accomplish its intended purpose.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN).

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, may I reiterate what I said earlier, and I hope the gentleman from Texas will listen, the chairman of the Committee on Agriculture.

The committee, as I pointed out earlier, enlarged the food programs including increased school lunches and the special feeding programs financed under section 32. In taking that action it was the opinion of the committee that we probably had provided for the purchase of as much milk as we had before. I would also say that section 32 commodity program funds are available to buy such other milk as might be available that comes within its provisions. So, we had not thought that we needed to provide that a certain amount be available only for this purpose. What is involved here is whether you want to specify that section 32 funds be used for this purpose. It might be in order for that to be done. I shall confer with my colleagues on the subcommittee and see what their attitudes are on the subject. However, I did not want the RECORD to show that there is any effort to cut out or prevent this type of program.

We had increased the purchase of milk through the other means to the degree I mentioned, and left section 32 available also for this purpose. We did not tie it down.

The CHAIRMAN. The time of the gentleman from Mississippi has expired. All time has expired.

The Clerk will read.

The Clerk read as follows:

Plant and animal disease and pest control: For operations and measures, not otherwise provided for, to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine, and regulatory activities, as authorized by law, including expenses pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), \$89,493,000, of which \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects, plant diseases and animal diseases to the extent necessary to meet emergency conditions: *Provided*, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by any State of at least 40 per centum: *Provided further*, That not to exceed \$1,000,000 shall remain available until expended for construction of facilities without regard to limitations contained herein: *Provided further*, That, in addition, in emergencies which threaten the livestock or poultry industries of the country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary to be available only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts;

AMENDMENT OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OTTINGER: On page 5, line 5, change the semicolon to a colon and add the following: "*Provided*, That no appropriation contained in this act shall be used for the purchase or application of chemical pesticides, except for small quantities for testing purposes, within or sub-

stantially affecting States in circumstances in which the purchase or application of such pesticides would be prohibited by State law or regulation, for any citizen or instrumentality of State or local government."

Mr. WHITTEN. Mr. Chairman, I wish to reserve a point of order.

The CHAIRMAN. The gentleman reserves a point of order.

(Mr. OTTINGER asked and was given permission to revise and extend his remarks.)

Mr. OTTINGER. Mr. Chairman, we are coming to know from the scientific community that there is real danger to human safety and survival by the use of certain nondegradable pesticides that have a particularly long life. I read recently of the almost complete extinction of certain species of birds by the reason of pesticides that have built up in their bodies. A little bird will eat the insects contaminated by vegetation, then a larger bird comes along and eats that bird, and then you have even more large birds who have eaten the other birds, and eventually the animals at the top of the food chain have an extremely high concentration of these chemicals. These birds are actually producing eggs whose shells are so thin that their offspring cannot survive.

Mr. Chairman, we are ourselves at the top of a long food chain and we are accumulating quantities of pesticides in our bodies. Many scientists are saying that the pesticides are showing up in our organs and may pose a dangerous and serious hazard to our genetic heritage.

They also call attention to the fact that these nondegradable pesticides are destroying systematically the oxygen-producing plants on land and may do the same to our oceans, with accumulations from the pesticides used, at around some 170 million pounds per year. Once in the biosystem, these pesticides continually go on killing plant and animal life, and nobody seems to have given much thought to the possibility that we may eventually tip the balance of nature in the wrong direction.

Unfortunately, we are not in the habit of acting on environmental ills until a real emergency occurs, as was the case of the oil pollution out at Santa Barbara, Calif., and as has been the case in other communities. In consequence, if we blandly wait for a pesticide catastrophe it may well be too late.

The amendment I am offering is designed merely to prohibit the use of chemical pesticides by the Federal Government in any State where those pesticides could not be legally used, under State law or regulation.

DDT and similar chemical pesticides have been extensively criticized in recent years, and the intensity of this criticism has been considerably increased in the past few months; many scientists have suggested that these chemicals should be banned outright.

Responding to this attack, Arizona and Michigan have banned the use of these chemicals, and several other States are considering similar bans; in addition, many States have the authority to prohibit by regulation or executive action

the use of chemicals which are found to be harmful.

I do not feel that the Congress should be guilty of imposing its own judgment in this area by permitting the use of these chemicals in cases where the responsible State authorities have concluded that they should be prohibited. My amendment would subject the Department of Agriculture to no greater restrictions than now operate upon citizens and State agencies in those States, and in States where similar bans may be imposed in the future.

I am unable to determine the extent to which the Department's pest control program would be inhibited, if my amendment were passed. Frankly, I do not feel it makes much difference.

Adequate alternatives are available for the most dangerous of these chemicals and if the State authorities feel that they should not be used, I do not feel it right that we should at this time supersede them.

As I say, Arizona and Michigan have banned DDT.

In New Jersey the governor is considering an executive order which might have the same effect.

Studies are underway on DDT in Arkansas and Montana, and in Nebraska DDT is, and I quote, "not recognized or recommended by the department of agriculture."

In Pennsylvania a special legislative committee has recommended the banning of all chlorinated hydrocarbons.

Bills to ban some of these chemicals and pesticides have been introduced in the following State legislatures: California, Wisconsin, Illinois, Washington, and Minnesota.

The following States have the power by regulation to ban chemical pesticides considered to be undesirable: New Mexico, Colorado, Utah, Oklahoma, Oregon, Connecticut, Maine, and Washington.

In Wisconsin the department of natural resources is holding hearings to determine whether DDT is to be classified as a pollutant and therefore to be kept out of its waters.

In its budget on the item we are presently considering, the Agriculture Department has set aside \$5,750,000 for the coming fiscal year, for the purchase and application of chemical pesticides.

This information was obtained from Mr. Miles, the Deputy Director of the Budget Bureau of the U.S. Department of Agriculture.

I think myself the problem is sufficiently serious that we should take action at least to the extent of not exceeding what the States have already done and might do in the future on this important problem.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on his point of order?

Mr. WHITTEN. Mr. Chairman, upon reading the amendment, I notice it goes further than I thought it did. In the first place, I do not know of any provision in this bill for the purchase of chemical pesticides.

May I say further, Mr. Chairman, that the amendment before us goes to the State law, exempting or including pesti-

cides based on those States which have passed State laws.

On that basis, Mr. Chairman, I contend that the amendment is not germane and goes far beyond the legislation before us.

The CHAIRMAN. Does the gentleman from New York (Mr. OTTINGER) desire to be heard on the point of order?

Mr. OTTINGER. Yes, Mr. Chairman. Mr. Chairman, the bill goes directly to the legislation itself.

There are 89 million and some odd dollars appropriated for pest control within this particular section, although I am told that \$5,750,000 is for the distribution and application of chemical pesticides. So that the amendment is completely germane, and it only relates to the States insofar as the limitation of appropriation itself is concerned.

The CHAIRMAN (Mr. WRIGHT). The amendment offered by the gentleman from New York (Mr. OTTINGER) provides that no appropriation contained in this act shall be used for the purchase or application of chemical pesticides.

The amendment notes certain exceptions within or substantially affecting States in circumstances in which the purchase or application of such pesticides would be prohibited by State law or regulation, or any citizen or instrumentality of State or local government.

It is a well-established rule that an amendment to an appropriation bill is germane wherein it denies the use of funds for a specific purpose.

The amendment offered by the gentleman from New York (Mr. OTTINGER) appears to fall within that rule. It is a limitation upon the use of funds appropriated in the bill. It is a denial of the use of those funds for a specific purpose. Therefore, the Chair overrules the point of order.

Mr. WHITTEN. I have done a world of study in this area, as have many others. The continuing battle of man against insects has been going on since the beginning of time. The Department of Agriculture has the responsibility for testing and approving all of the new chemicals that are essential to human health.

Not only is that true, but also household insects, such as roaches and flies, have caused many epidemics, such as the bubonic plague, which have swept the world throughout history. With malaria and many other diseases rampant, except for chemical pesticides it is doubtful we would enjoy constantly increasing life expectancy, which may now be around 15 or 20 years longer than it was in 1900.

Our world is absolutely dependent on these pesticides for controlling disease and pestilence caused by insects, rats, and many other rodents. Not only is that true, but the plant life which we all must depend on for our food, is attacked by insects. On an average of every 5 years we have to have a new strain to meet the need.

So if we are to continue to have improved health, if we are to continue having fruit that is beautiful and wholesome, as compared with what we find when we are traveling in many foreign

countries, where we have seen bugs, insects, rot, worms, and all those things, we would realize that we must show some discretion in handling these matters.

At the same time, it is agreed that we have got to see that the dosage is within proper limits. The Department of Agriculture is the department that makes each of these products go through tests before approved for use.

I say to you that certainly you would not want to tie the hands of the department that has the responsibility for protecting our health, protecting it on the one hand by seeing that pesticides that are dangerous are used in dosages that make them safe for use, and, on the other hand, approving them when they prove their use is essential to human health and essential to the production of fruits, vegetables, and the many things on which our well-being depends.

I would hope that you would vote down the amendment. This is an area in which, if action is to be taken, it should be taken by the appropriate legislative committee where witnesses can be heard on all sides of the question. You would find that we would suffer untold damage, for example, if we were needlessly to restrict the one department that has this responsibility. I hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. OTTINGER).

The question was taken; and on a division (demanded by Mr. OTTINGER) there were—ayes 25, noes 75.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OTTINGER: On Page 5, line 5, change the semicolon to a colon and add the following. "Provided, That no appropriation contained in this act shall be used for the purchase or application of the following chemical pesticides: DDT, Dieldrin, Aldrin, Andrin, Heptachlor, Toxaphene, Benzene hydrochloride, Lindane, Chlordane and other chlorinated hydrocarbon pesticides, except small quantities for testing purposes."

Mr. WHITTEN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. OTTINGER. Mr. Chairman, I will not belabor the House on this point. These are the pesticides which are considered by the scientific community to be too dangerous to use. The committee, having chosen not to adopt the States' rights approach on this problem, will obviously reject the amendment.

I am convinced, myself, that these pesticides are dangerous enough, considering the fact that alternatives exist, that they ought to be prohibited outright for use by the Federal Government. That is what this amendment would do. I am confident that one of these days we will take this step. I just hope that the day when we do it will not be too late.

Mr. WHITTEN. Mr. Chairman, I make the point of order that the specific pesticides included here were included in the earlier language and were indeed voted upon.

The CHAIRMAN (Mr. WRIGHT). The Chair is going to rule that this is a different amendment in that it specifically stipulates those pesticides which would be proscribed by the amendment.

The Chair overrules the point of order.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment. I reiterate the argument I made earlier. The control of agricultural pests is an area in which we are dependent upon all the tools which are determined to be safe in order to protect our food production and our health from pests and disease.

This is not the place to decide in these few minutes an issue which has become so controversial and which is so technical. I trust the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. OTTINGER).

The amendment was rejected.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

COOPERATIVE STATE RESEARCH SERVICE

PAYMENTS AND EXPENSES

For payments to agricultural experiment stations, for grants for cooperative forestry and other research, for facilities, and for other expenses, including \$53,854,000 to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture; \$3,785,000 for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582a-7), of which amount, the sum of \$201,642.80 shall be paid to those States for the benefit of the counties from which timber receipts earned as a result of agreements entered into under the authority of the Weeks Act (16 U.S.C. 500) have been withheld; \$2,000,000 in addition to funds otherwise available for contracts and grants for scientific research under the Act of August 4, 1965 (7 U.S.C. 450i) of which \$1,000,000 shall be for the special cotton research program and \$400,000 for soybean research; \$1,000,000 for grants for facilities under the Act approved July 22, 1963 (7 U.S.C. 390-390k); \$160,000 for penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended; and \$376,000 for necessary expenses of the Cooperative State Research Service, including administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 for employment under 5 U.S.C. 3109; in all, \$61,175,000.

Mr. YATES. Mr. Chairman, I make a point of order against the language contained on page 6, lines 22, 23, 24, and 25, and on page 7, lines 1 and 2, through the word "withheld".

My point of order is predicated on four grounds.

First, this is legislation in an appropriation bill. Under the so-called Weeks Act, lands may be transferred by States to the Federal Government under an agreement to pay 75 percent of the funds for timber cut for school purposes and for roads, but under the Civil Rights Act of 1964, such funds come within the purview of moneys to be paid by the Federal Government to the States. The Attorney General and other appropriate agencies have determined the so-called Weeks Act falls within the purview of that act. Therefore, in requiring funds to be paid

under the Weeks Act in contravention to the decision of the Attorney General that no such funds should be paid, it changes the Civil Rights Act of 1964.

Second, Mr. Chairman, it establishes an affirmative direction to the Secretary of Agriculture or to one of his subordinates to make a payment. It requires him to take a specific action. It says the money shall be paid. Contrary to other provisions of this appropriation bill, which say that funds shall be available for certain purposes, this is a direction, a mandate, a requirement to an executive officer to take certain steps.

Third, Mr. Chairman, this is an appropriation without authority of law. If the Chair will note the citation for the funds, it is given as 16 U.S.C. 582a-582a-7. Mr. Chairman, I have read those sections very carefully, and I find no authority in those sections for making this particular payment. I have the code before me. The code is directed to a sustained yield forest management program. It does not provide for any payments to be made under the so-called Weeks Act.

Finally, Mr. Chairman, assuming that there is authority under the Weeks Act, this language is not directed to authority under the Weeks Act. Assuming whatever authority the Weeks Act provided for payment of certain funds, that authority no longer exists when appropriate agencies of the Federal Government takes steps to suspend payments that were authorized under that law, taking the steps authorized under another act.

For example, whatever authority the Weeks Act gave to make such payments, that authority was suspended by the action taken under the Civil Rights Act of 1964 authorizing the Attorney General to suspend any payments to counties which did not require their schools to desegregate in accordance with the law.

For those reasons, Mr. Chairman, I respectfully suggest that the point of order should be sustained.

The CHAIRMAN. Does the gentleman direct his point of order to the language beginning in line 23?

Mr. YATES. Yes, Mr. Chairman, I do. Did I mention line 22? If I did, I was in error.

The CHAIRMAN. The gentleman does not direct any point of order against the language in line 22?

Mr. YATES. No, Mr. Chairman. My point of order begins in line 23, through the word "withheld" on line 2 of page 7.

Mr. WHITTEN. Mr. Chairman, would the gentleman withhold his point of order?

Mr. YATES. Mr. Chairman, I reserve my point of order.

The CHAIRMAN. The gentleman from Illinois reserves his point of order.

Mr. WHITTEN. Mr. Chairman, our committee realizes its limitations, but I think it well to point out in connection with the point of order that the authority under which the committee has attempted to act is that found in 582 of title 16, the language which is in line 22.

May I say that the Weeks Act, which is mentioned here, provides that the Federal Government can purchase land in the various States, thereby taking the

land off the local tax rolls provided it has the agreement and the consent of the States. The Federal Government has gone into States throughout the country and has gotten State legislatures to pass enabling acts authorizing the Federal Government to buy these lands on the basis of the agreement by the Federal Government that 25 percent of the timber receipts shall go to the States as agents of the local counties for roads and school purposes.

In other words, the Federal Government has made an agreement under the Weeks Act to take title to lands in the Federal Government and has agreed in consideration thereof, if the State has given its consent, to pay to the State, for the use of the counties losing the lands from the tax rolls, 25 percent of the timber receipts for roads and schools.

In a few States—I believe there are three now—the Attorney General, acting at the direction of the Department of Health, Education, and Welfare, has frozen these funds that were part of the agreement when the lands were taken off the local tax rolls.

It is certainly most unfair, and in effect contrary to what they may intend at the Department of Health, Education, and Welfare. They are taking these moneys from education. I want the Members to know that each of these States and each of these counties has schools which are open to members of all races.

But we live in a country, now, where the Department of Health, Education, and Welfare, or some official down the line in that Department, can tell the Attorney General, "Just violate any agreement you may have. Hold on to these lands which the State legislature authorized you to buy and take off the tax rolls and renege on your agreement to give 25 percent of the land rental to them."

Mr. Chairman, in view of the words "shall be paid" I would have to agree that the section is subject to a point of order.

The CHAIRMAN. The gentleman from Mississippi concedes that the language is subject to a point of order.

Does the gentleman from Illinois insist upon his point of order.

Mr. YATES. Mr. Chairman, I insist on my point of order.

The CHAIRMAN. The Chair sustains the point of order of the gentleman from Illinois (Mr. YATES). The language of the bill beginning in line 23, page 6, to and through the word "withheld" on line 2, page 7, constitutes a diversion of funds from authorized appropriations for an unauthorized purpose; and the Chair sustains the point of order against that language.

The Clerk will read.

The Clerk read as follows:

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,600,000.

Mr. MICHEL. Mr. Chairman, I move to strike the last word, and I would like

the attention, if I might, of our subcommittee chairman, the gentleman from Mississippi (Mr. WHITTEN).

Mr. Chairman, Illinois receives \$30,-237 during the present fiscal year and at least \$10,000, has more than been matched by our State of Illinois on this project.

As payments are based upon an evaluation of the relative urgency of the marketing problems confronting the State and the probable effectiveness of the plan and the State's ability to carry out the program, I should think there would be very little problem in receiving these funds.

Furthermore, soybean research in general has been short changed. For every Federal and State scientist working on soybean production research in 1967, there were \$25 million of soybeans produced. For every scientist working on rice, grain sorghum, and wheat, there were \$15-16 million of each crop produced. For each scientist in tobacco, \$9 million; peanuts, \$7 million; cotton, \$4 million; and sugar crops, \$3 million of crop produced.

Soybeans are raised on over 40 million acres in 30 States, provide our Nation with its most valuable agricultural export for dollars, is second in farm value of cash crops—and gets an infant's research diet.

I would hope that under the payments to the States category of the Consumer and Marketing Service that the Department of Agriculture will provide an additional \$20,000 to Illinois for the purpose of building and operating an instrument to measure the oil, moisture and protein content of soybeans.

This instrument has already been invented by the USDA's Agriculture Research Service and we in Illinois, as the largest soybean producer, are very anxious to put it to use.

I offer examples of the pressing need: Japan buys up 27 percent of this Nation's soybean crop. They are demanding a certain oil content for the soybeans they import and there is a possibility that we could lose this market if we do not have a method of measuring the oil content of beans quickly and efficiently.

Also soybeans can be used as a protein source for human foods and demands for high protein beans can be expected in the very near future.

I hope that the chairman of the subcommittee will have that same view, because we are here at a point of breaking through on this item. All it really needs is that a matter of legislative history be made here to give the folks downtown a nudge to get the job done.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. May I say to my distinguished colleague from Illinois, with whom I have had the privilege of working through these many years, I agree with him that there is no crop which shows as much benefit from the aid we have given and which makes as great a contribution to American agriculture as soybeans. As I have said on the floor

previously, there is in this bill \$1.6 million for payments to States, some portion of which can be used for such activities. They do have the right to shift funds from one activity to another. Certainly such a transfer as you have described here is warranted, and I hope and trust that the Department of Agriculture will do as we feel they should and make those funds available as they are needed.

Mr. MICHEL. I thank the chairman for his assurance.

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

REMOVAL OF SURPLUS AGRICULTURAL
COMMODITIES (SECTION 32)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for (1) transfers to the Department of the Interior as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; (3) not more than \$2,900,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961; and (4) in addition to other amounts provided in this Act, not more than \$100,000,000 (including not to exceed \$2,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended; (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food: *Provided*, That in making such determinations, the Secretary shall take into consideration the age; income; location and income of parents, if a minor; and employability; and (c) milk for needy children in schools and other nonprofit institutions heretofore receiving milk under the special milk program.

AMENDMENT OFFERED BY MR. POAGE

Mr. POAGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POAGE: On page 19, lines 23 through 25, strike “; and (c) milk for needy children in schools and other nonprofit institutions heretofore receiving milk under the special milk program.” and substitute “. For necessary expenses to carry out the provisions of the Special Milk Program, as authorized by section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772) \$120,000,000, to be transferred from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c).”

(Mr. POAGE asked and was given permission to revise and extend his remarks.)

Mr. POAGE addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I have had occasion to check with the members of our subcommittee and we have no objection to the amendment. As I expressed earlier, our purpose was not to eliminate these funds, but to have them available. I have no objection to the amendment.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from California.

Mr. TEAGUE of California. Obviously, Mr. Chairman, I must recognize that I am going to be defeated in my stand on this amendment, but I want the Record to show that not being a member of the Committee on Appropriations, but being opposed to the amendment according to the original action of the Committee on Appropriations, and for the reasons earlier stated, I, for one, do not agree to the acceptance of the amendment. This is not help for undernourished and needy children. It is help for the dairy industry. I understand why my colleagues wish to assist the milk producers and do not criticize them for it. However, let us understand the real purpose of this \$125 million program.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

(Mr. QUIE asked and was given permission to revise and extend his remarks.)

Mr. QUIE. Mr. Chairman, I strongly favor the amendment offered by my colleague from Texas (Mr. POAGE). The special school milk program has been in operation for 14 years. It is well received by educators, nutritionists, parents, and students. It would be a shame not to continue this act.

The attitude of the House is clearly seen by its vote recently—384 to 2 favoring the permanent extension of the special school milk program. Our efforts to feed the needy must be continued and expanded; however, when an outstanding program providing the most important ingredient of lunch on a specialized basis as the special school milk program does, all children will benefit no matter what their economic level. In fact, all children need the nutritional value which can be found in milk, and I am hopeful that this House will not only vote for the Poage amendment at this time, but make certain that funds will be available in the future for an adequate supply of milk for school children.

Mr. STEIGER of Wisconsin. Mr. Chairman, the bill, H.R. 11612, as reported by the Appropriations Committee, contains inadequate provision for the special milk program and thus I support the Poage amendment. In previous years we have appropriated approximately \$104 million for this essential program, but the recommendations of the committee this year would eliminate the appropriation altogether and provide only \$20 million through transfers from section 32 funds.

I find this recommendation totally unacceptable given the past successes of this

milk program and the ever-increasing body of knowledge which indicates massive problems of malnutrition and hunger in the Nation.

The increase funding for the child nutrition, school lunch, and food stamp programs is commendable and deserves the support of this Congress. But I am not yet convinced, nor have I been shown any evidence which indicates, that the proposals embodied in this bill will meet the nutritional needs of the Nation's schoolchildren. On the contrary, most of the evidence would seem to indicate that even with the expansion of the nutrition programs, large numbers of children in dire need will still not receive adequate nutritional supplements in our schools.

Numerous studies have pointed to the fact that several million poor and disadvantaged youngsters who urgently need to participate, are not able to do so because of a lack of facilities for food service at the schools they attend. The milk program has reached many of these children and has been administered in such a way as to better meet the needs of these youngsters. The other nutrition programs have failed in the past because of inadequate funding and inequitable administrative practices.

Given the fact that we are as yet a long way from meeting the nutritional needs of all Americans and that no one can guarantee that the new ordering of financial priorities incorporated in this bill will insure adequate coverage, it ill-behooves us at this time to severely cut back a program which has been very successful in supplementing the diets of the disadvantaged.

Even with the expanded programs for regular meals in the schools, the overall consumption of fluid milk will be substantially reduced if we acquiesce in the recommendations contained in this bill. Where in prior years the \$104 million for the special milk program has provided some three billion half-pints of milk annually, this bill provides only \$20 million or approximately 581 million half-pints for fiscal 1970,—assuming a reimbursement rate of 3.44 cents per half-pint, the rate in fiscal 1969. Even if we add to this the assumption that one-half-pint will be served with each of the new meals to be provided, for an additional 523 million half-pints, the net reduction in fiscal 1970 as compared to fiscal 1969 will be approximately 1.9 billion half-pints.

I certainly support the efforts of the committee to improve funding for our other child nutrition programs, but I believe we are not yet in a position to eliminate a program of proven value, which has been instrumental in improving the health of millions of young Americans. Until such time as we can be confident that none of our children are malnourished and that other programs are functioning effectively, we must continue to provide dietary supplements through the special milk program. I am, therefore, urging the committee to support an effort to restore funds to the level appropriated for fiscal 1969. Passage of this amendment will guarantee an adequate level of funding for the program during the coming fiscal year.

This particular program has won widespread support across the Nation. I have received a telegram from Mr. William Eckles, general manager of Pure Milk Products Cooperative in Wisconsin, urging continued support for this essential activity:

Funding of this unique and valuable program has salutary worth not only to the dairy industry but also to the millions of children that the program is designed to help nutritionally.

The action of the House recently in supporting the authorization bill, H.R. 5554, introduced by the gentleman from Texas (Mr. POAGE), clearly indicates the wide support in the House for this program and the Appropriations Committee can, I believe, work to assure equitable treatment of the special milk program. This amendment should be adopted and I join in urging support.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. POAGE).

The amendment was agreed to.

Mr. KEITH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. KEITH. Mr. Chairman, I have an amendment which is in my hands and ready to go to the Clerk to page 18, line 15. Is it my understanding that we did actually read all of page 18?

The CHAIRMAN. The Chair will state to the gentleman from Massachusetts that the Clerk has read through page 18 and page 19 and an amendment has been adopted at the bottom of page 19.

Mr. KEITH. Mr. Chairman, I ask unanimous consent that we return to page 18, line 15, so that I may offer an amendment which I mentioned earlier in the debate.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDMENT OFFERED BY MR. KEITH

Mr. KEITH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEITH: On page 18, line 15, add "And provided further, That no funds expended under the authority contained in this Act shall be used for the purchase of fish products unless such fish or fish products are available on the domestic market".

The CHAIRMAN. May the Chair clarify the amendment? Does the amendment state "unavailable"?

Mr. KEITH. Mr. Chairman, I think that the Clerk misread it.

Mr. YATES. Mr. Chairman, I ask unanimous consent that the amendment be reread.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. KEITH: On page 18, line 15, add "And provided further, That no funds expended under the authority contained in this Act shall be used for the purchase of imported fish or fish products when such fish or fish products are available on the domestic market".

(Mr. KEITH asked and was given permission to revise and extend his remarks.)

Mr. KEITH. Mr. Chairman, it has been brought to my attention that some school lunch programs are buying fish and fish products which have been imported. There is, in fact, a memorandum put out by the school lunch program authorities which says that it is the congressional intent of the school lunch program to encourage the use and consumption of only domestically produced agricultural commodities and other goods, and not those of foreign origin. It seems that the regulations are not being observed, or at least the intent of the Congress is not being observed at the local level. I believe that legislation of this sort would help to strengthen the hand of the Federal officials in administering what was the intent of the Congress, and, secondly, it would be very helpful to the domestic fish industry which is suffering from a 98-percent increase in imported fish or fish products since 1957. It seems, further, that the Department of Commerce and the Department of the Interior are literally spending millions of dollars to revive this same fishing industry.

So, Mr. Chairman, I ask for the support of my colleagues in the adoption of my amendment.

I would further point out, Mr. Chairman, that earlier this afternoon the chairman indicated to me that he was in sympathy with the intent, but that a point of order might lie against the amendment. Subsequent rulings by the Chair with reference to other points of order have given me confidence to offer the amendment, particularly in view of the sentiment as expressed by the chairman on the floor.

The CHAIRMAN. The Chair will state to the gentleman that no point of order is pending.

Mr. KEITH. Mr. Chairman, I reserve the balance of my time.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I did not make the point of order that we had read too far in the bill to consider the amendment. I did not suggest that point of order, so that the gentleman might offer his amendment.

Here again I can appreciate the concern of the gentleman coming from the area he does. I expressed myself earlier that, where fish or other protein foods are available, and where it is necessary to make that type of purchase in order to have a well-rounded lunch, that preference should be given to buying American products. But to put it into law, where they would have to make such a determination, I believe would be carrying it too far. If an amendment were to be offered to the School Lunch Act, or to the Nutrition Act, I believe that would be the proper place.

Also, as I understood the language of the amendment, it would prohibit the buying of foreign fish from foreign sources when available on the domestic market. To tie down the purchase of readily available fish and have to determine whether that fish came from abroad or from this country, would be

putting an undue burden upon the school lunch authorities.

Mr. Chairman, I am arguing on the merits of the amendment, but I am in sympathy with the gentleman and his concern, and I will cooperate with the gentleman in any way I can. But I do not believe we should put something into law that is too stringent. So I hope the amendment is voted down. But again I say that I hope we can work out something to the satisfaction of the gentleman in some other way.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. KEITH).

The question was taken; and on a division (demanded by Mr. KEITH), there were—ayes 32, noes 65.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE

EXPENSES, AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar Act of 1948, as amended (7 U.S.C. 1101-1161); sections 7 to 15, 16(a), 16(d), 16(e), 16(f), 16(i), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590q); subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816); and laws pertaining to the Commodity Credit Corporation, \$147,420,000: *Provided*, That, in addition, not to exceed \$62,483,000 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund (including not to exceed \$26,757,000 under the limitation on Commodity Credit Corporation administrative expenses): *Provided further*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this appropriation: *Provided further*, That no part of the funds appropriated or made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations.

AMENDMENTS OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On page 22, line 17, strike the period and insert the following: "": *Provided further*, That no part of the funds appropriated by this Act shall be used to formulate or carry out any price support program (other than for sugar) under which payments aggregating more than \$20,000 under all such programs are made to any producer on any crops planted in the fiscal year 1970."

Mr. WHITTEN. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Mississippi (Mr. WHITTEN) reserves a point of order against the amendment.

The gentleman from Massachusetts (Mr. CONTE) is recognized for 5 minutes in support of his amendment.

Mr. CONTE. Mr. Chairman, the bill presently before this committee provides appropriations for the Department of Agriculture and related agencies for the fiscal year 1970. I rise to introduce an amendment which will limit the aggregate payments to any producer from the price support programs covered by this bill, except for sugar, to \$20,000. This payment limitation furthermore will only apply with regard to crops planted during fiscal year 1970 and thus does not cut off funds for producers whose actions during fiscal year 1969 have been governed by the lack of a payment restriction.

Mr. Chairman, on July 31, 1968, I offered practically this same amendment on the floor of this Body. My motion at that time to recommit the farm bill and report it out with a \$20,000 payments limitation was approved by the House by the recorded vote of 230 to 160.

Last year after my amendment was approved by the House, it was quickly dropped in conference.

Abnormal procedures were then used to prevent me from obtaining a rollcall vote on this amendment when it came back to the House for a vote.

Mr. Chairman, what is the rationale which leads to prisons in Texas, Arkansas, Louisiana, and Mississippi received subsidy payments in 1969 of \$294,000, \$154,000, \$51,000, and \$28,000, respectively, while the small farmer in this country for whom these farm programs were originally designed receives today almost no help at all from them.

What is the rationale for the Southern National Bank receiving \$170,000 and Reynolds Metal receiving \$44,000 in subsidy payments while poor people throughout this country—black and white go around without the memory of what a full meal tastes like.

Mr. Chairman—there is no rationale for this—there is no justification for this—and it is high time that we begin to put our farm programs in order.

Mr. Chairman, there is no justification for allowing such parliamentary tactics and maneuvers to be used to prevent the Members of this body from deciding issues of extreme importance. Nor can there be any justification for the action taken late last week by the leadership in rescheduling consideration of this bill from Tuesday to today. As I stated earlier, this was done for only one reason—to limit support for a farm payments limitation by having us vote on it while many supporters are still in their home districts today.

Our farm program is not working properly today and it has not been for some time.

Mr. Chairman, what is the rationale which allows the J. G. Boswell Co. of California to receive subsidy payments of \$3 million in 1968 and \$4,100,000 in 1967 while some 12 to 15 million people in this country continue to suffer from starvation and malnutrition.

What is the rationale for payments in 1968 of \$2,800,000 to Giffen, Inc., of California, for \$1,200,000 to South Lake

Farms of California, for \$786,000 to Saylor Land Co. of California, for \$504,000 to Farms Investment Co., of Arizona, for \$430,000 to Hamilton Farms of Arizona, for \$474,000 to Lee Wilson & Co. of Arkansas, for \$320,000 to J. K. Griffith of Texas, for \$228,000 to John B. McKee, Jr., of Mississippi.

Mr. Chairman, to those who would argue that today's bill is not an appropriate place for these limitations, I would argue that just the opposite is the case.

We have waited patiently for years for new legislation to replace our present terribly inequitable and wasteful farm programs.

We will have to wait for years and years more if the impetus for a new legislative approach is to be left to the distinguished chairman from Texas and his Agriculture Committee.

Meanwhile, hundreds of millions of dollars of the American taxpayer are being wasted in these inequitable and unjustifiable subsidy programs.

Everyone in this Body is aware of the difficult financial times we presently face in this Nation—of the burdens of inflation, of the need for keeping an extremely tight reign on Government spending.

We in Congress have been forced to make substantial spending reductions in numerous important and valuable Government programs because of present economic conditions.

How can we possibly sit here while this is going on and allow to continue, for 1 day more, these wasteful and unfair farm programs.

We must act and we must act now. My amendment in putting an end to these huge payments will lead to savings for the American taxpayer of up to \$300 million per year.

To those who argue further that this payment limitation will result in huge surpluses and destroy agriculture in this country, I draw attention to the study prepared last year by the Department of Agriculture under Dr. John Schnittker, the former Under Secretary of Agriculture.

The Department study was clear in its finding that we can limit farm payments in this country to \$20,000 per farm "without serious adverse effects on production or on the effectiveness of production adjustment programs."

I urge all Members to support me in this fight and vote to limit farm subsidy payments to no more than \$20,000 for a producer.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

(On request of Mr. WAGGONER, and by unanimous consent, Mr. CONTE was allowed to proceed for 3 additional minutes.)

Mr. WAGGONER. Mr. Chairman, will the gentleman yield at that point?

Mr. CONTE. I am glad to yield to the gentleman from Louisiana.

Mr. WAGGONER. I would be interested in knowing what the gentleman's rationale is in omitting sugar from his proposed limitation on payments. Why is sugar singled out to be omitted? I am interested in sugar, too. We grow it in

Louisiana. Why is the gentleman interested in omitting only sugar?

Mr. CONTE. As the gentleman knows, last July my amendment did not cover sugar. Today in discussing my amendment with some Members of Congress including Mr. FINDLEY, I noted his amendment omitted sugar. They argued that they have a unique program there that is a self-sustaining program, that the excise tax imposed upon them substantiates the payments they have in the program.

Mr. WAGGONER. Does the gentleman have sugar mills in his district?

Mr. CONTE. I am more than pleased that the gentleman has asked that question, because the gentleman from Mississippi, whose State is one of the largest recipients of subsidies under this program, mentioned the subject. I have no sugar refineries in my district, I have no sugar mills, and I have never voted to authorize any farm subsidy, in 1961 or even when the cotton subsidy bill came up which could have helped textile mills in my district. I voted against that one also.

Mr. Chairman, it is high time we stopped this racket. It is high time that Congressmen and Senators who have their faces in the public trough stop collecting subsidies or do not vote on these bills as they come up in the House and the Senate.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I am glad to yield to the gentleman from Minnesota.

Mr. QUIE. I think we ought also to point out that there is a limitation on payments in the Sugar Act.

Mr. CONTE. I thank the gentleman for his contribution.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WHITTEN. Mr. Chairman, I reserved a point of order.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on his point of order?

Mr. WHITTEN. I do, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, this subject has been discussed a number of times. There are several new features in this amendment that have not been included in previous amendments.

Congress set up the Commodity Credit Corporation as a corporation so that it could act as such. It gets its authority from several sources. One is borrowing authority granted by the Congress on the recommendation of the Banking and Currency Committee. Another is the sale of commodities on hand. The Corporation is given the right to sue and be sued. It is given the right to conduct itself in all ways as a corporation.

I was one who discovered in an investigation that we had a number of corporations Congress had forgotten all about. One was the American Spruce Corp. For 25 years it accounted to nobody. So, along with others, I sponsored the Government Corporation Control Act whereby we

would keep account of what these corporations were doing.

At that time, Mr. Whittington, the chairman of the committee, made the statement that one thing it was important for us to reserve was the right to review the actions of the corporations. That covers TVA as well as Commodity Credit Corporation. While we had the right to review these activities, the Government Corporation Control Act itself prohibited us from dealing with it as we would deal with an appropriation for a regular department or agency of Government.

So I respectfully submit that in the absence of a law repealing the Government Corporation Control Act and the charter of the Commodity Credit Corporation, under which it was given certain functions and commitments, that we would have to change that act in order to limit its functions.

Let me give this further observation if I may and point out something else. In our committee report—and this is surplusage and we did not have to say it—this corporation has certain amounts in this bill. This amendment is directed to the money in this bill, but that corporation has approximately \$5.6 billion that is either in cash or loans advanced on commodities, where it will be subject to repayment or taking over under the loan, or it is in commodities to which they have actual title. So we say in our report, so that Members may know what will happen, that it is within their privileges and obligations already.

We say in our report that if Mr. CONTE's amendment should be adopted, or Mr. FINDLEY's, and if out of the funds in this bill the Corporation can pay only \$20,000, we say that the Corporation would still have to do what its charter authorizes and binds it to do—because they have these contracts—and that is to go ahead and pay the remainder, over and above \$20,000, out of other moneys they have.

Now the gentleman has changed his amendment from what I earlier heard and now says it applies to formulation and so forth of a 1970 program. May I say, the same reasoning applies, because if they cannot do it with the money which is in this bill, which goes to restoration of capital impairment in 1961, 1967, and 1968, then under the Corporation charter and under the law, they will have to do it out of other money.

So I am saying we would be requiring two sets of books.

My investigation indicates that it will probably cost \$50 million to maintain two sets of books, and a new system of controls. Formulation of such a program could be done with money the Corporation has, and it has an obligation under existing law to formulate these programs.

If, by chance, I am not right in my reasoning—and I have every reason to believe I am—then under the basic act it says if for any reason these payments are not made for cotton, it "snaps back" to the 1958 act. That is in the law. What I am telling the Members is in the Corporation's charter. It is in the act by which we assumed the right to survey and look it over and see what it is doing. But even

in that law we said that nothing shall be done to prevent the Corporation from discharging its functions. We have no right to do that.

If this amendment were to prevail, they would still have other funds on hand.

Second, lest I be in error on my first point, under the law they go back to the 1958 act, and they would have to lend all this money—about 43 cents a pound—on cotton.

Having loaned that money on cotton, that would be the normal 100 percent of parity. Presuming that the Secretary of Agriculture would put it at the lowest possible support level in the 1958 act, it would be 65 percent of parity, which would be the price today of 22 and a fraction cents which the producer gets, plus another 9 percent which is in these checks received by producers for having limited production in line with the Government's demand. Then the Government would have the cotton on its hands, and in order to export it in world trade you would have to pay out 9 and a fraction cents.

Now I come back to my point of order. The Corporation's charter provides its authority. We have not amended that charter. We passed legislation letting us supervise its activities, but in that law permitting us to survey it, it says nothing shall be done to keep that corporation from carrying out its functions under its charter.

I say again, on the one hand, they are going to have to pay from these other moneys and to keep two sets of books. On the face of it, that does not save money. That is evident.

Second, on the law, we cannot plead ignorance of the basic legislative act. Under the basic legislative act, if they try to impose a limitation here, it goes back to the other law and costs more money.

I respectfully suggest that I know from personal knowledge that we set out to make the corporation free of such controls. I know we tried to. I know for several years it was so considered.

If that does not strengthen the case, read the charter. Read the Corporation Control Act. Then read the law.

The amendment here will cost from \$60 million to some \$600 million or more. So instead of saving money, you are spending a whole lot of money if you adopt the Conte amendment.

Mr. CONTE. Mr. Chairman—

Mr. WHITTEN. I yield to the gentleman from Massachusetts.

Mr. CONTE. Has the gentleman raised a point of order, or is he arguing against the amendment?

Mr. WHITTEN. I raised a point of order, and in my remarks I perhaps made some statements against the amendment.

May I ask the gentleman: he says sugar is exempt. Could he tell me what is under the amendment?

Mr. CONTE. Mr. Chairman, is the gentleman raising a point of order? I should like to speak on the point of order, and then we can get on to the debate.

The CHAIRMAN. The Chair is hearing the gentleman from Mississippi on

the point of order which, as the Chair understands it, is lodged against the amendment offered by the gentleman from Massachusetts on the ground that it constitutes legislation.

Mr. WHITTEN. I think I have made myself clear, Mr. Chairman, so I yield to the gentleman for his argument.

The CHAIRMAN. Does the gentleman from Massachusetts desire to be heard on the point of order?

Mr. CONTE. I do, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I believe that the point of order does not lie against the amendment.

My amendment is within rule XXI, clause 2, commonly referred to as the Holman rule.

The amendment is negative; it shows retrenchment and it does not impose any additional duties nor add to existing law.

Furthermore, amendments of this nature have been sustained on numerous occasions in past years in spite of similar objections.

Payment limitation amendments to agriculture appropriation bills have been introduced and sustained during the past 3 or 4 years in the House.

My amendment is merely a limitation on the amount of money being spent, and therefore the point of order should not prevail.

Mr. WHITTEN. Mr. Chairman, may I make one more point briefly?

The CHAIRMAN. The Chair will hear the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, this is a very unusual and peculiar provision, but in order that we know what we are doing may I say this amendment would not do what I think the gentleman insists it does. It is quite evident, if it does what he says, that it would drastically amend existing law, so to that degree it is legislation on an appropriation bill.

Mr. LANGEN. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from Minnesota.

Mr. LANGEN. I think the points have been made substantially, but let me add to them to this degree: Were this amendment to be adopted, it would substantially change the provisions of a farm program that is now in existence. In its application to compliance and to payments that are made, it does add to the work that has to be done by the department, in that they will have an entirely new calculation to make and it will provide a substantial added expense. There is nothing that says this is a limitation on payments. It could well amount to a greater expenditure in its final effect. So, consequently in my opinion, it does not comply with the provision that it be a strict limitation of payments and that it not constitute the changing of legislation already on the books.

The CHAIRMAN. The Chair is prepared to rule.

The gentleman from Massachusetts (Mr. CONTE) has offered an amendment against which the gentleman from Mississippi (Mr. WHITTEN) has made a point of order on the ground that the amend-

ment constitutes legislation on an appropriation bill in violation of clause 2 of rule XXI.

As the gentleman from Mississippi points out and as was further pointed out by the gentleman from Massachusetts, amendments almost exactly identical to that offered by the gentleman from Massachusetts have been offered on numerous previous occasions, as early as 1959 and as recently as May 1, 1968. On several of those occasions points of order have been raised against this amendment or its equivalent on similar grounds. On all those previous occasions the occupants of the chair have held that the amendment is a valid limitation on funds appropriated by the bill, and on all of those occasions the point of order has been overruled. The Chair has had occasion to observe the elaborate and scholarly argument presented on May 1, 1968, by the gentleman from Mississippi (Mr. WHITTEN), and to hear his further argument today. The gentleman from Mississippi (Mr. WHITTEN) contends that the amendment would limit and restrict the activities of a Government corporation created and regulated by other law and that therefore constitutes legislation. The Chair finds on the face of the amendment that what it limits and restricts is the application of funds appropriated in this bill to a Government corporation, and as such the Chair believes that it falls well within the rulings by Chairman Kilday in 1959, by Chairman Harris on January 26, 1965, and by Chairman CORMAN on two occasions, June 6, 1967, and May 1, 1968. The Chair therefore holds that the amendment is a valid limitation on the funds appropriated in the bill and therefore overrules the point of order.

SUBSTITUTE AMENDMENT OFFERED BY MR. NELSEN TO THE AMENDMENT OFFERED BY MR. CONTE

Mr. NELSEN. Mr. Chairman, I offer a substitute amendment to the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The Clerk read as follows:

Substitute amendment offered by Mr. NELSEN to the amendment offered by Mr. CONTE: On page 22, line 17, strike the period and add a colon and the following: "Provided further, That notwithstanding any other provision of law, in the case of any producer entitled to payments for any calendar year after 1969, under price support or commodity program, the incentive payments, Diversion payments, Price support payments, and Wheat marketing certificate payments to any single recipient, exceeding in the aggregate the amount of \$10,000, the amount of such payments with respect to that year to which the producer would otherwise be entitled shall be reduced in accordance with this subsection. If the aggregate amount of the payment is—

"(1) over \$10,000 but not over \$15,000, the reduction is 10 percent of the excess over \$10,000

"(2) over \$15,000 but not over \$25,000, the reduction is \$500 plus 15 percent of the excess over \$15,000

"(3) over \$25,000 but not over \$50,000, the reduction is \$2,000, plus 20 percent of the excess over \$25,000

"(4) over \$50,000 but not over \$100,000, the reduction is \$7,000 plus 25 percent of the excess over \$50,000

"(5) over \$100,000 but not over \$500,000, the reduction is \$19,500, plus 35 percent of the excess over \$100,000

"(6) over \$500,000 but not over \$1,000,000, the reduction is \$159,500, plus 45 percent of the excess over \$500,000

"(7) over \$1,000,000, the reduction is \$384,500 plus 55 percent of the excess over \$1,000,000.

"For the purposes of this section, payments include the dollar value (as determined by the Secretary of Agriculture) of any payments-in-kind made to a producer, but do not include the amount of any price support loan made to a producer."

Mr. WHITTEN. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. WHITTEN. Mr. Chairman, this amendment, on its face, will usurp completely the jurisdiction of the Committee on Agriculture. It is not only legislation, but is rather complete, complex, and lengthy. It is certainly not only legislation on an appropriation bill, but it is a substitute on an appropriation bill in the nature of legislation.

The CHAIRMAN. Does the gentleman from Minnesota wish to be heard on the point of order?

Mr. NELSEN. Mr. Chairman, I would submit to this body that if a limitation as provided in the previous amendment is in order, certainly this amendment would also be in order and I ask for a ruling by the Chair.

The CHAIRMAN. The Chair is prepared to rule. This substitute offered by the gentleman from Minnesota (Mr. NELSEN) is clearly distinguishable from the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The gentleman from Massachusetts (Mr. CONTE) offered an amendment which provided that no part of the funds appropriated by this act should be used for certain specific purposes.

The substitute offered by the gentleman from Minnesota (Mr. NELSEN) goes much further than this. It does not constitute a limitation upon this act but indeed applies to other acts and amounts. Clearly in the opinion of the Chair it proposes legislation such as is prohibited in an appropriation bill. Therefore, the Chair sustains the point of order against the substitute.

Mr. NELSEN. Mr. Chairman, I move to strike the requisite number of words.

(Mr. NELSEN asked and was given permission to revise and extend his remarks.)

Mr. NELSEN. Mr. Chairman, I wish to make the observation—it is obvious that large individual farm payments are under attack not only by Members of this body but by the general public. It was my purpose in proposing a graduated scale of payments to move in the middle of the road direction so the large producers would not desert the program which is intended to reduce surpluses and maintain an adequate price for the farmers. In my judgment, a straight \$20,000 limitation could well encourage the large producers to double their production, wherever possible.

This would create a surplus that would descend upon the small farmer as well as the big, and the whole farm program would be disrupted.

Now, I note that at one of our national conventions, and it was not the Republican Convention, a resolution was in-

cluded in the platform that supported a graduated payment proposal such as I have offered here today. In my judgment when limitations are finally implemented they will be along these lines.

I might also say that a major part of the argument today has been on the basis of what is incorrectly termed a subsidy to the farmers. The objective of a farm program is not to subsidize farmers but to reduce production to prevent flooding the markets with price-depressing surpluses.

It has been rather interesting to listen to the farm experts. Now, I am not a farm expert, but I like to think that I am a successful farmer. I thank the chairman of the committee for referring to the dairy farmers and especially his observation about the school milk program because it does provide a market for some of the milk coming from the farms, at the same time doing a great service to the children in our public school system.

[Mr. ECKHARDT addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. WHITTEN. Mr. Chairman, I wonder if we could agree on a limitation of debate on this amendment and all amendments thereto?

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes.

Mr. VANIK. I object, Mr. Chairman.

Mr. QUIE. I object, Mr. Chairman.

Mr. MAYNE. I object, Mr. Chairman.

Mr. WHITTEN. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 45 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair has noted the names of Members standing to be recognized under the limitation of time.

Pursuant to the motion adopted by the Committee, each Member will be recognized for approximately 1 minute and 5 or 6 seconds.

The Chair recognizes the gentleman from Arizona (Mr. UDALL).

(Mr. UDALL asked and was given permission to revise and extend his remarks.)

Mr. SISK. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Arizona (Mr. UDALL).

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. UDALL. Mr. Chairman, it seems to me as I look around these days, maybe we ought to just disband the standing committees and do all our legislating on the continuing appropriations and supplemental appropriations and the regular appropriation bills.

This is a complicated process. This is a complicated act.

I have people in Arizona who are getting large payments. I think we ought to work out a system so that they do not get large payments. I am willing to abandon the present system if we can find something better.

The act will be up for renewal at the end of next year. Let us do a job on it. I

am prepared to take my responsibility. The job may do something for some of my constituents which they would not like in this field, but the fact is I am told by experts that under the cotton part of this program there is a snap-back provision in the old law which means that instead of paying 10 cents a pound in subsidy, if this payment limitation is enacted, the taxpayers are going to have to dig up 20 cents a pound so that instead of paying less for this next year under this one appropriation bill, the taxpayers that the sponsors of this amendment are trying to help, are going to be coughing up a lot more money.

I think it is extremely unwise to change a complicated and technical farm act.

The fact is that millions of farmers, people who have gone on under these provisions, people have planted and borrowed the money and set up their agricultural operation are all of a sudden—here on an appropriation bill—finding the whole system distorted and damaged.

I strongly urge that in a responsible way that the amendment be voted down. Next year we can take a look at the recommendations of the new administration and see what their ideas are and the farm programs that they will come up with and any better ideas. But this is unwise and an unsound way to legislate and I strongly urge that the amendment be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. FOLEY) for approximately 1 minute and 5 seconds.

(Mr. FOLEY asked and was given permission to revise and extend his remarks.)

Mr. FOLEY. Mr. Chairman, the remarks of the gentleman from Arizona (Mr. UDALL) were exactly in point.

I just want to suggest to the Members that there is an irony on the floor today in that the gentleman from Massachusetts (Mr. CONTE) in the examples of large payments that he gave, put it almost exclusively as being under the cotton program. I doubt that any of the payments he cited to which he objected came from either the wheat or feed grains program. They are all cotton payments under the provisions of the existing law and will require the snap-back provision to occur on cotton if any payment limitations are imposed by this bill will go to 16 million acres, the minimum allocation for cotton on 65 to 95 percent of parity.

It will only disturb the existing situation and cost the taxpayers more money.

As a member of the Committee on Agriculture of the House, I can assure those in this Chamber who favor payment limitations, that the committee may well undertake hearings this year and that the subject of payment limitations will be fully explored.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi (Mr. MONTGOMERY).

(Mr. MONTGOMERY asked and was given permission to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Chairman, I rise in opposition to this amendment offered by the gentleman from Massachusetts to place limitations on payments under the Agriculture Act of 1965.

My first reason for opposition is, I feel, any amendment of this sort is untimely. It should have been attached to or incorporated in, authorization legislation for the farm act and not made a part of the appropriations process.

My second reason for opposition is I feel very strongly that limitation on the amount of price support payments and Commodity Credit Corporation loans to any farm or firm under current programs would wreck agriculture and many business enterprises serving agriculture.

Manufacturers readily regulate production to prevent price disasters. Because of their large numbers, farmers historically have not been able to do this without a farm program free of limitations. Our farm commodity programs today—work because farmers cooperate in diverting acreages from surplus crop production into soil-conserving uses. Many do this at a financial sacrifice because they know balanced supplies are in the best interest of all.

All who cooperate earn, and are entitled to, reasonable compensation for this acreage diversion. Nowhere have I heard of a limitation on payments when a city takes real estate for urban renewal, or when a State takes land for a highway.

The farmer who is asked to divert 100 acres from surplus production expects to be paid about twice as much as what his next door neighbor, with comparable land earns for 50 acres of diversion. And why not? His investment is twice as great, his taxes twice as great, and his risk is twice as great.

Commodity programs are not welfare programs. To be effective in balancing production they must fit into the free enterprise concept that a man is rewarded in terms of the value of his contributions. Program payments reimburse farmers for income they forego and expenses they incur when they divert land from crop production to carry out farm policy. Farm incomes have not attained a parity with nor the stability of incomes in most of our economy. Limited payments and the accompanying disruption in the farm work force and in our rural communities will add further to urban congestion.

And to those who assume that money will be saved by limiting payments, I say that is simply not true if the same result of supply management is to be achieved. If one large farmer who has been foregoing production on 1,000 acres does not cooperate in these programs, that means 100 small farmers will have to forego production on 10 more acres each to maintain supply and demand stability—and I believe that this would cost more, not only in Federal funds, but in further curtailment of opportunity for smaller farmers.

The present farm programs without limitations have accomplished what would have been considered a miracle a few years ago. By encouraging the

participation of producers, large and small, we have used these programs to work Commodity Credit Corporation inventories from their peak of \$6.148 billion in October 1960, down to \$1.043 billion as of this past March 31.

The farm program is designed to adjust production and supply, to avoid burdensome surpluses and to strengthen the national economy. Payments are an integral part of the farm program. To impose limitations, is to undermine, if not destroy this important program.

While limitations are aimed to the larger farmers, to impose them will strike hardest at the smaller farmers. With limitations the larger farmers will be forced out of the program, bringing about its collapse and thereby denying its benefits to the small farmers as well. Without the program larger farmers may survive, but the smaller ones could not.

Limitations do not save money for anyone. Burdensome surpluses are the inevitable result with the heavy burden on the smaller farmers. Limitations, therefore, are wrong in principle, are unfair, would be costly to farmers and consumers alike, and if imposed would be a breach of contract our Government has made with those who produce the bulk of our food and fiber.

I reemphasize again that to add a limitation rider to our appropriations bill is the worst possible way to legislate. If it is to be the national policy to discriminate because of size, the issue certainly deserves to be considered on its merits and the Congress should not single out only one segment of the national economy, least of all agriculture which formed the backbone of our American society.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky (Mr. NATCHER).

(By unanimous consent, Mr. NATCHER yielded his time to Mr. BELCHER.)

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, I want to take this opportunity to announce that I expect to vote against this appropriation bill which will cost the taxpayers of America \$6.6 billion in this fiscal year. Frankly, I do not believe there is any benefit ratio sufficient to justify this kind of public spending.

In the past, I have supported farm legislation. A healthy farm economy makes for a prosperous nation. Our achievements in the agricultural sciences are the marvels of the world—even dwarfing our achievements in space. No other nation has done so much to produce food.

There is poverty on the American farm in large parts of the country and we must deal effectively with that poverty as we deal with urban poverty. But there are also huge profits for some segments of agriculture which enjoy the benefits of our Federal subsidies—and these profits for the greater part completely bypass the Treasury and the tax collector.

As a member of the Ways and Means Committee, I was shocked to learn of

the maneuvers which are employed to avoid taxation.

The ingenious farmer who protests urban programs manages to get every conceivable kind of deduction. The farmer gets depreciation, depletion, investment credit, and long-term gains.

On a cattle ranch, the breeding cattle are owned by the children, who pay ordinary taxes at lower rates, while the steers are owned by the parents who pay taxes on these operations at reduced rates as long-term capital gains. The investment credit extends to orange trees in Florida.

The CHAIRMAN. The time of the gentleman has expired. The Chair recognizes the gentleman from Washington, (Mr. ADAMS).

Mr. ADAMS. Mr. Chairman, I support the gentleman's remarks. I support the amendment of the gentleman from Massachusetts. There are only 1,900 farms in this country, under Mr. Schnittker's figures, that will be paid subsidies if the limitation is over \$20,000.

(By unanimous consent, Mr. ADAMS yielded the remainder of his time to Mr. VANIK.)

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. BARRETT).

(By unanimous consent, Mr. BARRETT yielded his time to Mr. VANIK.)

(Mr. BARRETT asked and was given permission to revise and extend his remarks.)

Mr. BARRETT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Massachusetts (Mr. CONTE) and urge its adoption. At this time when we are all concerned with the ever increasing cost of Government, the need for tax reform and the continuously spiraling cost of living, particularly the cost of food, farm program payments without a ceiling can no longer be tolerated.

We read every day of the millions of our citizens who are poor and impoverished and who are undernourished and suffer from malnutrition. This, in the land of plenty. This is a tragic situation and must be rectified.

The \$20,000 ceiling proposed by this amendment will fairly and justly serve those farmers who are in need of Federal assistance. Certainly these are not the large land holders and large corporate farms who in the past have received hundreds of thousands of dollars under these programs. It was the small farmer who was intended to be benefitted by the agriculture programs when they were first adopted by the Congress.

The adoption of this amendment will return programs to that intended by the Congress.

Mr. VANIK. Mr. Chairman, the conglomerate was born on the farm—and spread to the city.

This bill provides \$6.6 billion to the agricultural industry of America. That is only part of the story. The overwhelming portion of our public works program not related to transportation adds billions more to the agricultural sector. No other segment of American life receives so much and pays in so little.

The testimony before our committee indicated that tax payments by agriculture in America approximate \$1 billion in tax revenues. Somehow or another, these subsidy programs costing billions of dollars should also generate some tax receipts in order to justify their continuance.

It is time for us to stop treating agriculture as a pampered child. The industry has progressed far enough to stand on its own and help pay its own way.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma (Mr. BELCHER).

[Mr. BELCHER addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

(By unanimous consent, Mr. RHODES of Arizona yielded his time to Mr. MICHEL.)

The CHAIRMAN. The chair recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, I rise in support of the amendment offered by my colleague, the gentleman from Massachusetts (Mr. CONTE), which puts a ceiling of \$20,000 on farm program payments to an individual. In my opinion the farm program payments are excessive. The farm program itself, as it now operates, has outlived its usefulness. A major overhaul is overdue.

Since this is an appropriation bill, however, we can only place restrictions on the funds appropriated. This amendment if approved would affect fewer than 10,000 individuals and could save up to \$205 million according to USDA studies.

Mr. Chairman, the large payments to individual producers are usually defended on the grounds that large producers' cooperation in the programs benefit all farmers. We are told that the payments are in lieu of a producer planting his usual acreage of a particular crop. This may have been the situation at one time. But it is no longer true.

Approximately 80 percent of the individuals who received payments in excess of \$20,000 under the 1968 programs were cotton producers. Most of the others were wheat producers. This also will be the case for the 1969 and 1970 programs. Over 90 percent of payments in excess of \$20,000 go to producers of cotton and wheat.

But the cotton program payments are not payments for leaving cotton land idle. Cotton producers may plant their entire historical cotton allotment in 1969 and still collect payments of 14.7 cents a pound on their projected yield on their domestic allotment, 65 percent of their farm allotment.

One cotton producer in California collected over \$4 million in 1967 and over \$3 million in 1968. He will be permitted to plant his full farm allotment in 1969 based on his pro rata share of 16,000,000-acre national allotment, and if he has not sold or rented out a part of his cotton

acreage, he will draw over \$3 million in farm program payments.

Cotton program payments in 1969 and 1970 are not needed to keep from over producing cotton at world market prices. We have had such short crops of cotton for the past 2 years that cotton prices were too high. High cotton prices stimulated increased production and use of synthetic fibers and increased production of cotton in other parts of the world.

A \$20,000 limitation on individual farm program payments would not adversely affect the small cotton producers. It would only affect the fewer than 10,000 individuals who have large land holdings and in addition are now receiving payments equal to two-thirds the market value of their crops. These payments are income supplements or welfare payments—needed perhaps by the small cotton producers.

But I ask you what national purpose is served by giving a cotton producer who produces and sells \$4 million of cotton income supplement or welfare payments of \$3 million?

Wheat producers' payments also have little relation to the acreage diversion required to balance wheat supplies with market outlets at stable prices. In the 1969 wheat program a producer will receive wheat certificates valued at more than \$1.30 a bushel on his domestic wheat allotment, over 40 percent of his total farm allotment.

Under the 1969 program wheat certificate payments to producers will exceed 40 percent of the market value of the crop produced. This is four or five times the payments needed as economic incentives to achieve the acreage diversion program for 1969.

Wheat payments like cotton payments have become primarily supplemental income payments rather than payments for acreage diversion.

Again limiting payments to \$20,000 for an individual wheat producer would have no adverse effects on other wheat producers. Only the few thousand large wheatland owners and operators would be adversely affected.

A limitation on farm program payments is long overdue. A limitation of \$20,000 as proposed in this amendment is a very modest limitation. It will affect fewer than 10,000 producers out of almost 2 million who receive farm program payments. I know of no less painful way of saving up to \$200 million in Government expenditures at a time when other domestic program are being curtailed for lack of funds.

I fully realize that a limitation of \$20,000 on all farm program payments may cause some difficulty in the administration of the several programs. In particular it might require the Secretary of Agriculture to return the cotton program to the provisions of the 1958 act. Let us adopt this amendment, however, and if changes are needed in existing legislation the legislative committees have plenty of time to act before the 1970 crops are planted. Let us make it clear that at a time when educational and health programs are being cut because of a lack of Government funds that we are not go-

ing to continue supplemental income or welfare payments in excess of \$20,000 to individual farmers.

(By unanimous consent, Mr. BOLAND yielded the remainder of his time to Mr. CONTE.)

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. QUIE).

SUBSTITUTE AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute Amendment offered by Mr. QUIE: On page 22, line 17, strike the period and insert the following: "Provided further, That no part of the funds appropriated by this Act shall be used to formulate or carry out any price support program on cotton, wheat, or feed grains planted during the fiscal year 1970 under which payments to any single producer exceed an amount determined as follows:

If total amount of such payments are—	By multiplying by—	The maximum payment shall be—
\$20,000 or less—	100 per centum—	\$20,000.
More than \$20,000 to \$30,000.	75 per centum—	\$27,500.
More than \$30,000 to \$40,000.	50 per centum—	\$32,500.
More than \$40,000 to \$50,000.	25 per centum—	\$35,000.
More than \$50,000—	25 per centum—	\$35,000 plus 25 per centum of any amount in excess of \$50,000."

Mr. WHITTEN. Mr. Chairman, I make a point of order against the substitute amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. WHITTEN. It is legislation on an appropriation bill, and requires additional duties.

The CHAIRMAN. Does the gentleman from Minnesota desire to be heard on the point of order?

Mr. QUIE. Yes, I do, Mr. Chairman.

I believe this amendment is in order, because the opening language is identical with that of the Conte amendment. The only difference is that where his cutoff is at \$20,000 mine provides for a graduation or scaling down of the cutoff above that. It applies only to the funds in this act and is a limitation on the funds in this act. Therefore, Mr. Chairman, I believe it is in order.

The CHAIRMAN (Mr. WRIGHT). The Chair is ready to rule.

For reasons declared in a previous ruling the Chair is going to hold that the substitute amendment offered by the gentleman from Minnesota (Mr. QUIE), is a limitation on the appropriation and is therefore in order. The Chair overrules the point of order.

The gentleman from Minnesota is recognized, in support of his substitute amendment.

(By unanimous consent, Mr. STEIGER of Wisconsin yielded his time to Mr. QUIE.)

Mr. QUIE. Mr. Chairman, if Members will notice the language, they can tell by hearing the amendment that the Sugar Act is not included in my amendment, either. The Sugar Act already has a limitation on payments on a graduated basis, from 80 cents a pound down to 30 cents a pound. That is a precedent for what I have done.

Rather than take the chance of endangering the program with the amendment of the gentleman from Massachusetts, where there is a cutoff at \$20,000, and the possibility that the larger farmers receiving above that might drop out of the program and therefore cause a glut on the market, my amendment provides a gradation above \$20,000. Each farmer up to \$20,000 would get 100 percent of his payment. For the amount above \$20,000 and less than \$30,000, it would be 75 percent of his payment. However, if he received something between \$30,000 and \$40,000, then he would get \$20,000 plus 75 percent of the next \$10,000 plus 50 percent of the amount between \$30,000 and \$40,000. The same is true with respect to between \$40,000 and \$50,000. The amount anyone would receive above \$50,000 is he would get 25 percent of his payment.

We are going into this, if it is enacted into law, without the possibility of considering and changing the act under which this would apply. So in order that the pressure would not be too great on the farmers, but making a savings of some amount of money, I believe this would be a wise move to make at this time.

My own feeling is that my figures are extremely high. In fact, a year ago I offered an amendment with exactly half that amount, beginning at \$10,000. I have looked at the act since that time and studied what some economists have come up with in the case of a limitation on payments, and I think the amount could be a lesser amount, but at this time, Mr. Chairman, I believe this is the wisest move we could make. We will not endanger the program and we will save some money.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. REID).

Mr. REID of New York. Mr. Chairman, I rise in strong support for the Conte amendment. I believe it is unconscionable in America that we are paying certain individuals large sums of money not to grow food when at the same time we face serious malnutrition and hunger across the Nation. I emphatically urge your support for the amendment.

(By unanimous consent, Mr. REID of New York yielded the remainder of his time to Mr. CONTE.)

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. POAGE).

Mr. POAGE. Mr. Chairman, I feel that the substitute which has just been offered by the gentleman from Minnesota pretty well shows up the fallacy of this whole procedure.

This is not a well-thought-out program of reductions. It is not based on any study of the effect. It is, frankly, little more than an assessment of what figure could be expected to get the most votes. The real objective is to see that no one gets more than any one else, and even here the whole proposal is predicated on the erroneous assumption that this is a gift, or an income supplement. It is, of course, no more a gift than the payments made the owner of city rental property when that property is taken for Urban Renewal. In such a case the Members all

recognize that we should pay each property owner in proportion to what he owns—in proportion to what he gives up.

The owner of farmland who gives up the right to grow a crop has given his property just as truly as the owner of city property who gives up the fee simple—of course, there is a difference in value, but each should be paid for what he gives up for the public. It is this principal, not the amount of the limitation which is vital.

There is no special magic in \$20,000 or in any calculated step up or down. The gentleman has already pointed out that he, himself, feels maybe he will come back here another day and try to change those figures. He just told us he felt his own figures were too high. Of course, if any of these amendments are adopted, the authors will be back in 2 years seeking to reduce the amount. Every one of us knows it.

Obviously, the proponents of this limitation feel that it is bad to pay more than the average man gets to anybody. To achieve this you have to reduce all of these figures down to the lowest denominator. If you do that, you will have no program at all, and if you can take property or the use of property without paying its full value you have destroyed the institution of private property. It is just as certain to follow as the day-the night. Every one of you knows it. The whole question here is are you going to pay for taking property rights or are you going to seek to take them without paying for them? If you do not pay you do not get compliance, and to maintain your programs you must take more land from the very small farmers. On the other hand is you force the large farmer to reduce with no compensation and still pay the small man, are you not guilty of discrimination such as our courts have proscribed? And if you vote to reduce payments, are you not certain to further reduce them in the future.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. GROSS).

[Mr. GROSS addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. PURCELL).

Mr. PURCELL. Mr. Chairman, I would like to associate myself with the remarks made specifically by my colleague from Arizona (Mr. UDALL), and by my colleague from Oklahoma (Mr. BELCHER).

In each instance the specifics I think that are so important to consider today were pointed out. This is not the way to legislate. I think the other discussions have pointed out how complicated and difficult this matter is. These matters will be and can be gone over in proper time and in proper detail. To emphasize what has already been said once more, to take these limitations or to accept limitations of payments is just exactly like deciding that you are going to pay only a certain amount when land is condemned for a highway or for any other purpose. When land is condemned, if a person has more than one acre, he gets that amount of money per acre.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. MIKVA).

Mr. MIKVA. Mr. Chairman, I rise in support of the Conte amendment.

(By unanimous consent, Mr. MIKVA yielded his time to Mr. CONTE.)

(Mr. MIKVA asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. FARBSTEN).

[Mr. FARBSTEN addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. MAYNE).

(Mr. MAYNE asked and was given permission to revise and extend his remarks.)

Mr. MAYNE. Mr. Chairman, as my colleagues will recall, I actively supported the 1-year extension of the farm program last year. I resisted all attempts to amend or change the program at that time because it was obvious the adoption of such amendments would endanger the passage of any extension at all.

Although I had very serious misgivings about the huge payments being received by large farm operators, many of which are incorporated, I voted against any limitation of payments at that time. I was persuaded by those who argued that we should not jeopardize winning the 1-year extension by such a limitation, but should defer the question of payments until early this year when there would be more time to explore it in depth.

We are now 5 months into the new year, and I do not believe Members should delay coming to grips with this issue of payments limitations any longer. I concede that it would be preferable to take this matter up in the Committee on Agriculture, of which I have the honor to be a member, and I look forward to the hearings which will no doubt be conducted by our committee on the subject later in the year.

But I am convinced that those Members who are genuinely interested in improving and strengthening our present farm programs can wait no longer, but should act now to end the large payments which are bringing those programs into disrepute and now jeopardize their very existence. The people of this country, urban and rural alike, are fed up with unjustifiable government spending and the relentless increases in taxation which such spending brings in its wake. At a time when the new administration is pledged to bring inflation under control and is asking for a continuation of the surtax to that end, annual payments of \$100,000, \$500,000, \$1 million, yes, even \$4 million to individual corporate farms can no longer be defended. A letter was sent out today by some of our colleagues which suggests that a limitation would jeopardize the already precarious financial situation of family farmers in the United States. I yield to no one in my concern for the family farm and my admiration for the great contribution which independent

family-owned and operated farms have made to the economic and social security of the United States. But as I see it, annual payments of more than \$20,000 are hurting, not helping the family farmer. They are subsidizing the gigantic agricultural combines, corporate and otherwise, which have been gobbling up family sized farms and driving small farmers from the land by the hundreds of thousands; corporations which are often in direct and unfair competition with the family farmer. So let us not be misled into believing that payments of over \$20,000 a year are helping the little or medium sized farmer in any way. These large payments are discrediting the entire farm program in the eyes of the public, and must be eliminated if the program is to command sufficiently widespread support for continuance on a reasonable basis.

Certainly the \$200 to \$300 million being spent each year to subsidize our wealthiest farmers can be better used to improve the program for smaller farmers who are hardest hit by the price-cost squeeze plaguing American agriculture. And it also could be better spent on other programs for which there is great need. Serious consideration should also be given to the Federal Government not spending this money at all. This would indeed be a mighty victory in the war against inflation. Why not start turning this \$200 to \$300 million a year back to the taxpayer for a change? Is not it likely the taxpayers who are being separated from this amount by present high tax rates might like to be able to make their own judgment as to how their money should be spent or saved, rather than seeing it paid to organizations or individuals many times wealthier than they are themselves?

Representing the Sixth Congressional District of Iowa, I am most directly interested in improving and strengthening the feed-grain part of this program, which certainly has been woefully inadequate in the past. After inspecting USDA records, it is my considered judgment that a \$20,000 limitation of payments will not have an adverse affect on the feed-grain program. Payees receiving more than \$20,000 in 1967 farmed only 2 percent of the feed-grain base or approximately 2.6 million acres. It is essential that we take prompt action to end subsidization of this very small percentage of large operators in order to go forward with a program which will better serve the interests of the vast majority of American farmers and the entire country. I, therefore, urge all Members to vote for the \$20,000 limitation amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. LOWENSTEIN).

(Mr. LOWENSTEIN asked and was given permission to revise and extend his remarks.)

Mr. LOWENSTEIN. Mr. Chairman, I rise to support the amendment that would limit the size of individual agricultural subsidies.

Two of the points made today against the amendment especially deserve comment. The first is the contention that this is a bad way to legislate. What, I wonder,

under our present rules and procedures, is a good way?

In any case, that charge is a commentary on the way this body operates, not on the merits of the amendment. Why are we voting on a Monday? Why were we not told we would be voting on Monday until late Friday? What sudden agricultural crisis compelled this dramatic rush despite precedent, and in the face of standards of fair notice?

Should we then begin to amend House rules today? Should we delay changing bad laws until we get rid of bad procedures?

Maybe this episode will help light the fires of reform in the bosoms of worthy Members who have long seemed content with a legislative process whose inefficiency rivals its undemocracy. Meanwhile, we must legislate as best we can, and judge proposals on their merit.

The second is the claim that it is not in the interest of the small farmer to place a ceiling on subsidies for large and corporate farms.

Mr. Chairman, I am filled with wonder when it is said that the way to help small farms is to provide unlimited subsidies for large ones.

I would think we could find better ways to help small farmers, if that is our purpose. Certainly small farmers would think so.

Mr. Chairman, I would hate to see all assistance to agriculture go under in a wave of consumer and taxpayer resentment. The agricultural program is not helped by continuing this endless bounty for the few least in need at the expense of everyone else. The Nation is not helped. Nobody is helped, except those few least in need of help. We are not trying to rob the rich to give to the poor. What we do want is to quit taking from the poor—and those in the middle—to give to the rich.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. FINDLEY).

(Mr. FINDLEY asked and was given permission to revise and extend his remarks.)

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. Yes, I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I urge everyone to vote for my amendment and against the Quie substitute amendment. I have already spoken at length today on my amendment which has passed this House on a previous vote by 230 to 160 and, in view of the fact I have already spoken for 5 minutes, Mr. Chairman, I yield the balance of my time to the gentleman from Illinois (Mr. FINDLEY).

The CHAIRMAN. For what purpose does the gentleman from New York rise?

(By unanimous consent, Mr. OTTINGER yielded his time to Mr. FINDLEY.)

The CHAIRMAN. Does the gentleman from Massachusetts desire to yield all his time together with that which has been yielded to him by previous speakers to the gentleman from Illinois?

Mr. CONTE. I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Massachusetts has 3 minutes at this time

which he desires to yield to the gentleman from Illinois.

The gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

(Mr. FINDLEY asked and was given permission to revise and extend his remarks.)

Mr. FINDLEY. I thank the chairman and those who have yielded time to me.

Mr. Chairman, the Conte amendment in all practical effect is precisely the amendment I had formulated and intended to offer myself. It is almost identical to an amendment which I offered on an appropriation bill last year, except as to the amount. It is almost identical to the three previous limitation amendments which I have offered in past years.

In my view, it is much superior to the one offered by my respected colleague, the gentleman from Minnesota (Mr. QUIE). Let me illustrate this with just one example. The Eastland plantation in Sunflower County, Miss., received about \$106,000 in payments last year. As I understand the formula of the Quie amendment, the East plantation would receive something like \$25,000 or \$26,000 in the 1970 crop year. Under what I would describe as the Conte-Findley amendment, the Eastland plantation would instead have to get by with just \$20,000. In my view \$20,000 is quite enough.

Someone asked:

What could possibly be the rationale for placing a limitation on payments under farm programs which involve land areas of such varying sizes?

Here is the rationale that I shall use to justify this approach. This is a program which provides direct payments to the individual, corporations and partnerships engaged in farming throughout the country, requiring in all over \$3 billion in the course of a year. This can be justified only as income support and nothing else.

To talk about getting an equivalent value for the tax money in land retirement is sheer folly. The only justification that can possibly be rationally advanced is income support, and my idea is that \$20,000 a year per recipient is income support enough.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield on that point for a question?

Mr. FINDLEY. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. The gentleman has presented this amendment for many years. I know the gentleman has studied it very thoroughly, and has gone into the merits of farm payments, and so forth, to arrive at the figure of \$20,000. I wonder if the gentleman has made any study at any time in regard to the net amount the cotton farmer receives at the end of the year, or the net amount that the wheat farmer receives at the end of the year, what those farmers have as a profit after all expenses? I do not know if the gentleman has that information, but if he does have that information I would appreciate hearing it.

Mr. FINDLEY. I believe the important thing as legislators we must consider is how much do we pay a farmer.

As we heard earlier today, a farmer who received \$50,000 a year from the

U.S. Treasury can still go broke. Is this expenditure justified? Does his circumstances justify an investment of still more money?

A lot has been said about the snapback provision. Would it create administrative difficulty? There is no question in the minds of every official I talked with at the Department of Agriculture, that if the Secretary would elect to do so, the \$20,000 limitation—which hopefully we will establish by this amendment—would still be effective after snapback provision takes effect. So we would have the prospect of budget savings under this amendment that former Under Secretary John A. Schnittker says will be as high as \$300 million.

Now, this was not a Republican Under Secretary speaking, but the man who was Under Secretary under Secretary Freeman, and who was one of the architects of these payment programs. This man now states that a limitation of the sort suggested in the Conte-Findley amendment could be effected, gaining these budget savings and without serious advance effect on the commodity programs to which they are attached, and without undue administrative difficulty.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Massachusetts.

Mr. CONTE. I know that the gentleman would want to have the RECORD correct in regard to the Eastland plantation subsidy payment. I would like to inform the gentleman that under the Quie amendment he would not receive \$26,000, he would receive \$51,500.

Mr. FINDLEY. So that the difference between the Conte amendment and the Quie amendment is considerable.

It can be said that this has the effect of legislation, and that instead of acting on an appropriation we should wait for the legislative process. I believe it also can be fairly said that we may wait a long, long time for that to happen. And my feeling is that if this limitation on payment accomplishes nothing else, it would be well worth the investment in time and support on our part if it should spur the legislative process. So let us spur the legislative process by accepting this amendment.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from New York (Mr. RYAN).

(Mr. RYAN asked and was given permission to revise and extend his remarks.)

Mr. RYAN. Mr. Chairman, I support the amendment to limit subsidy payments to \$20,000. The House adopted a similar amendment on July 28, 1968, but it was deleted in conference.

At a time when the budget for social programs is being cut back, at a time when our cities are starved for funds for housing and education, this amendment offers an excellent opportunity to save \$300 million in farm subsidies.

Last week the supplemental appropriations bill provided \$40 million for the section 236 rent subsidy program—\$10 million less than the authorization for fiscal year 1969. A reduction in farm sub-

sidies for corporate farms would free money for rent subsidies for ill-housed people.

The gentleman from Illinois (Mr. FINDLEY) suggested that the basic justification for agricultural payments is income maintenance. Income maintenance is the concept embodied in my guaranteed annual income bill. But those who attack a guaranteed annual income for the poor are the first to defend the farm subsidy system of a guaranteed income for the rich.

The farm subsidy program is a classic example of an inverted Federal policy which Michael Harrington has characterized as "socialism for the rich and free enterprise for the poor."

The small marginal farmer, who is often in debt and subsisting on \$1,000 to \$2,000 a year, receives little benefit from the subsidies paid by the Federal Government. The large plantation owner, on the other hand, profits handsomely from this system. Since he has large quantities of acreage at his disposal, he can afford to take a larger amount of land out of production, receiving as much as \$116,978 for his munificence—as Senator EASTLAND did in 1968.

In other words, the richer one is, the more the current subsidy programs benefit him. The small farmers—who need the greatest assistance from the Federal Government—receive the smallest subsidies. The large farmers—the agrarian corporatists—not only receive the largest subsidies but are also unencumbered by any requirement that they pass on their largesse to the impoverished tenants who often farm much of their acreage.

The U.S. Department of Agriculture study—the Schnittker study—issued last November 27 shows the limitation proposed in the amendment before us would have "no serious adverse effects on production or on the effectiveness of production adjustment programs." The same study reported that a limitation on payments of the level suggested in this amendment would yield "budget savings ranging from \$200 million to nearly \$300 million." Although this limitation may produce certain administrative problems, the USDA study concluded:

Administrative problems . . . are not good reasons for opposing payments limits.

I would point out that this amendment does not propose the abolition of farm payments but rather proposes the elimination of the excessive subsidization of the most wealthy farmers.

Second, those farmers most in need of Federal assistance—those who do not own enough land to profitably take their acreage out of production—would not be affected by this amendment. What this amendment would do is to limit the amount of booty which corporate farms could reap from the program.

Since the \$20,000 limitation proposed today would affect only those crops planted in 1970, both the Department of Agriculture and the farmers will have ample time to make adjustments for this limitation.

The farm payments program as it is now administered is only one example of the inverted policy of socialism for the rich and free enterprise for the poor.

Urban renewal, while it was designed to provide for the needs of low- and moderate-income citizens, has too frequently benefited only the real estate developers. Only last year did Congress finally require that a majority of the housing built on urban renewal land be for low- and moderate-income people.

The highway program is another example. While the poor of the inner city have their homes and businesses bulldozed in order to make room for unnecessary and ill-considered highways, the construction, trucking, oil and automotive interests reap enormous profits from this massive public works venture.

The defense and space budgets provide further illustration. Recently the House approved authorization for a \$14 million supplemental appropriation to the Air Force which was nothing more than a subsidy to Northrup Aircraft to build an aircraft which could be sold profitably in the foreign military sales market. Boeing Aircraft has received almost three-quarters of a billion dollars in Federal subsidies for the design and development of the supersonic transport, an aircraft which solves none of our most pressing national transportation needs and which will create still more environmental and atmospheric problems.

Neither of these "projects" could apparently be left to the "invisible hand of the market."

There are countless other examples of the perverse and counterproductive ways in which the Federal Government is subsidizing the rich while leaving the poor to fend for themselves.

I urge the adoption of the Conte amendment which will help to make sense out of our irrational Federal farm subsidy program.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentlewoman from Washington (Mrs. MAY).

Mrs. MAY. Mr. Chairman, I was rather shocked to hear my colleague from Ohio (Mr. VANİK) say very scathingly just a moment ago that the only contribution the farmers make is \$1 billion in taxes.

Mr. Chairman, I submit that the agricultural economy of our country makes the greatest of contributions, and that is a nation that is the best fed at the lowest cost of any nation in the world. Remember, this is where the food to feed the hungry you plead for comes from. On behalf of this American farmer who makes us the envy of the world, I offer this plea—that we treat in an orderly, responsible way, legislation which affects his livelihood. This, at least, the Congress owes him. It is impossible to change basic national policy with an amendment on the wrong bill without harming the man who feeds and clothes us all.

I am deeply concerned over the proposal to limit payments to farmers under the Federal farm programs. My concern stems from two basic points. First, that this is neither the time nor the place for such a proposal to be presented, and second, that a limitation on farm payments is unlikely to achieve the objectives for which it is offered, and may, indeed, do more harm than good.

Speaking to my first point, although ostensibly a farm payment limitation

would affect only the expenditure of funds in the Federal farm programs, the practical effect of such a limitation would be a basic restructuring of the farm programs themselves. Since it is inappropriate under the rules of the House to legislate on an appropriation bill, this proposal should not be brought up at this time.

With reference to my second point, it has been purported that a limitation on payments to farmers under the Federal farm programs would save the Government, and the taxpayer, several millions of dollars annually. Upon closer examination, however, it is evident that this is a questionable assumption, to say the least. In fact, a payment limitation may, in the long run, cost the Government as much or more than could be saved.

How is this possible? In the wheat program, for example, many of the larger operators whose payments would be reduced under this proposal might well choose to go out of the program if no additional incentives to participate were offered. Outside the program, they would be free to plant as much wheat as they wanted, and the economic advantage of expanded acreage under those circumstances would certainly not be overlooked.

We already have more wheat than we know what to do with in this country, and even the slightest increase in production would exert a downward pressure on market prices far in excess of what its weight would be if supply and demand were more nearly in balance. Under the loan program, the Commodity Credit Corporation is required to assume ownership of all wheat which is not reclaimed by producers who have obtained Government loans on it. So, whenever the market price drops to or below the loan price, large quantities of wheat become the property of the Federal Government. A payment limitation, then, may result in lower market prices and higher expenditures by the Commodity Credit Corporation—expenditures which could substantially offset any savings effected by the limitation on payments. This is only one factor which could cause greater expense, and does not take into account the increased cost of a larger land diversification program which might be required, or other more expensive program modifications which might be necessary.

A payment limitation, it has also been suggested, would help remove inequities between large and small farmers. Actually, just the reverse could occur—a limitation would probably not help small farmers, and could, in fact, be quite harmful. Under the present wheat program, for example, the Secretary of Agriculture must establish a national wheat acreage allotment for program compliers annually on the basis of total anticipated U.S. production. If larger farmers go out of the program because of a payment limitation, and produce more, this means that the acreage of those smaller producers who stay within the program must be cut back to compensate for this expanded production.

Another problem of considerable significance which presents itself here is

that of the effect of a payment limitation on the cotton program. Because of the so-called snapback provision in this program, imposition of a payment limitation would result in a major drastic change—reversion to an earlier Federal program, and increased Government expenditures.

I think it is important to point out that even the oft-quoted "Schnittker Memorandum" in support of payment limitations referred to other basic changes in the farm programs which would necessarily have to accompany such a limitation. Walter Wilcox, senior specialist in agriculture in the Legislative Reference Service, also prepared a memorandum on farm payment limitations and in an early draft of that memorandum stated:

A limitation similar to the Conte amendment, however, without other changes in the basic legislation would destroy the effectiveness of the programs.

The amendment referred to was a straight \$20,000 limitation on total payments from all farm programs. I would suggest that both memorandums may be significantly understating the problems which might arise from a limitation on payments, even if the changes to basic farm legislation to which they refer were accomplished.

In short, I feel there are some very serious questions here which have not been satisfactorily answered by the proponents of farm payment limitations. I want to make it clear that my opposition to the payment limitation proposal certainly does not imply my blanket endorsement of the present farm programs—far from it. I have been something less than enchanted with the operation of the current programs—their inequities and failure to meet the income needs of rural America, especially—and feel that a complete reexamination of U.S. farm policy is definitely in order. We need to take a fresh look at just where we are going and how we want to get there. However, this is not the way to do it.

Over the years, Congress has established procedure for consideration of basic national policy—procedure which includes public hearings, committee consideration and due deliberation by this and the other body. I urge my colleagues to choose this course for consideration of farm payment limitations and the other related fundamental farm policy questions, rather than to pursue these important issues in the present situation.

In conclusion, I would like to list a summary of five points which have been made in opposition to this particular limitation amendment:

First. Land diversion and price support payments are an integral part of current voluntary farm programs. They enable farmers to work together to solve some of the economic ills and are an inducement to farmers, both large and small, to make a contribution to supply management. This type of limitation would affect program costs and participation differently.

Second. Payment limitations would prevent paying farmers on the basis of their contribution to balancing production with needs. Payments are not hand-

outs or welfare grants. The land diversion payments are compensation for giving up income—production—on those acres diverted to a conservation use. The price-support payments enable farmers to obtain a fair return on the remaining acres used for production while farm prices are at world levels. It is generally recognized that the cost of production in the United States is higher than in other countries with which we have to compete. The price-support payments make it possible to maintain market prices at world levels and still permit our farmers to obtain a fair return. Price-support payments also assist in maintaining fair and equitable prices for domestic consumers.

Third. Cost savings generally would be less than that indicated because (a) many large farmers would continue to participate but would attempt to avoid the payment limitation through participating at the minimum level, splitting up of farm allotments or by other devices, or (b) could result in large farmers—those affected—dropping out of the program which would result in increased unneeded production. This would place a greater share of the burden of balancing production with requirements on small farmers. Any added surplus would increase total price-support operations.

Fourth. In the case of certain commodities such as wool, payments are made to encourage greater production. A limitation on payments would defeat this objective.

Fifth. Price support and related commodity supply management programs are being reviewed by the USDA and in the review one of the items would be a study of payment limitations. Thus no change should be made in the current programs until this review is completed and specific legislation for improving our farm programs has been developed.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. PICKLE).

(Mr. PICKLE asked and was given permission to revise and extend his remarks.)

Mr. PICKLE. Mr. Chairman, I certainly want to reiterate the words of the gentlewoman from Washington about this program being one of good bargain to the American taxpayers.

The purpose of the program is to keep supply and demand in balance. I submit that the program we have has basically done that and done it well. We do not spend but about 18 cents, each of us, of our disposable income, for food. If you were to take the actual cost of this program, I suppose less than 2 cents of our Federal dollar is actually going into these funds and into this appropriation for support payments.

We ought to be fair about it and remember that for a man to be able to farm today, he has got to be a little bit bigger than he was when he could take 40 acres and a mule and start into business. He simply must have a larger operation. The investment is terrific. That is why smaller farmers are finding it difficult.

If there are to be changes made and if there are weaknesses in the program,

the time to do that is when the legislation is properly brought to this floor.

If we try to put a limitation on the program by putting a limitation on these payments today, you are in effect killing the present programs. It is not fair to do that under the circumstances of an appropriation bill.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. PUCINSKI).

Mr. PUCINSKI. Mr. Chairman, I rise in support of the Conte-Findley amendment.

Mr. Chairman, I wish to call attention of the House to the fact that the whole bill before us is a \$6.6 billion package of which \$3 billion involves farm subsidies.

Even if the Conte-Findley amendment is adopted, \$2.7 billion will still continue to flow to small farmers all over the country. But if it is adopted, you will break up the remaining \$300 million that is now being distributed to a select group of fat cat farming corporations. That is what this is all about.

The gentleman from Texas said here earlier today that he received \$393 in farm subsidies. The Conte-Findley amendment does not disturb him nor does it disturb thousands of small farmers around the country. What it does do is address itself to the \$300 million being distributed to less than 500 large farming corporations.

The Committee on Agriculture can never deal with this problem of placing limitations on farm subsidies because whatever they do in terms of helping the smaller farmer will benefit the big farmer more than the small farmer, if the present formula is retained. The way to start toward reforms is by supporting the Conte-Findley amendment. Once limitations are written into the farm subsidy program, we can then move to an orderly revision of all formulas.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. MOORHEAD).

(Mr. MOORHEAD asked and was given permission to revise and extend his remarks.)

Mr. MOORHEAD. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Massachusetts (Mr. CONTE) for the gentleman from Illinois (Mr. FINDLEY) limiting payment support to farmers to no higher than \$20,000 per year per farmer.

I supported a similar amendment in my first term in Congress.

Before I offer my reasons for doing so, I would like to thank the gentleman for his very informative and interesting entry in the record on May 12 of this year.

This excellent comparison study showing which counties receive the most Federal farm handouts—for this is exactly what these payments are—and which counties deny their poor people Federal food programs is quite illustrative of the twisted set of priorities which beset our Federal agriculture program.

It is disheartening to realize that with budget problems and hunger problems in the United States today, there are five farmers being paid a total of \$10,889,036 not to plant their property.

It is even more scandalous to note that 15 more farmers are being paid between \$500,000 and \$1 million each not to plant their property, that 388 farmers are being given \$100,000 and \$500,000 not to plant, that 1,291 farmers are being gifted with between \$50,000 and \$100,000 not to produce crops, and that 4,880 farmers are being subsidized with grants of between \$25,000 and \$50,000 not to plant crops on their property.

To me, it is just plain incredible that with our budget problems and our hunger problems that we are paying payments of more than \$233 million to fewer than 500 wealthy farmers in order to pay them not to produce food and fiber.

Gentlemen, in this period of an overheated economy, where we owe it to every American to tighten our Federal budget wherever possible, I think it is obvious where our Agriculture program can be trimmed. And again let me quote Mr. FINDLEY, we can cut back here with "no serious adverse effects on production or on the effectiveness on production adjustment programs."

A \$20,000 ceiling on payments to any one farmer can save us about \$300 million annually.

It would seem that saving money on this program and applying it to more pressing problems, primarily hunger, housing, and other national necessities, makes more sense than cutting back urban programs for lack of funds.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. WAGGONNER).

(Mr. WAGGONNER asked and was given permission to revise and extend his remarks.)

Mr. WAGGONNER. Mr. Chairman, I rise in opposition to the Quie substitute and to the Conte amendment. The gentleman who just preceded me in the well finally placed in proper perspective what you are doing here today. I would agree that perhaps these five farmers out of some 2.9 million total farmers are getting too much. But are you going to back down on the word of the U.S. Congress?

I voted against this bill when it was originally passed and I still have many objections to it because it does have flaws but this past year we agreed that it would be wise and good for agriculture in view of a change in administrations to extend this program for 1 year to allow us to rationalize and write a good farm program. We told our farmers what they could count on. But no. Because five people, some people think, are getting too much—and I do, too—we are going to bring the house down on agriculture. Do you think we have confusion today? You have not seen anything. You have not seen confusion compared to what we will have if this Congress goes back on its word. To do what you propose will cost more money, not less. I share your concern for the consumer but take pride in the good job our farmers have done in feeding the Nation. Let the city people get hungry and the top will really blow. Are you going to bring the house down on agriculture that feeds this Nation because you are sore that five people are getting too much money?

Yes, the program must be changed but do not do it in the middle of the game after telling them what to plan for. Is it fair when a man owns land and equipment to farm that land and is farming his land to be told by the Government that he can no longer do so, to put him out of business without compensating him for his loss until he is free again to do as he chooses? Of course it isn't. If you by force put any legitimate man out of business against his will he should be compensated for his loss. This legislation has only 1 year to go. That is the time to make the change. Many farmers have made obligations for this last year because we told them to. There is a real difference in paying a man for not doing something when he has the desire and wants to but is prohibited as compared to paying those who have no desire to work and won't work for not working. The very least you can do is keep your word and that is absolutely all I am asking if it means anything to you.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. ECKHARDT).

[Mr. ECKHARDT addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL of Massachusetts. Mr. Speaker, it is an old adage that when the economy of the farm is going well, the economy of the Nation is going well. I think that holds true today. But I do not think that in giving these tremendous benefits to the wealthy farmer we help the little farmer, in the least bit, or the Nation.

May I also say, Mr. Chairman, that my colleagues from the cities who have any idea of voting against this appropriation bill might be reminded that the school food program and the food stamp program are in this bill. I intend to vote for the Conte amendment.

(Mr. O'NEILL of Massachusetts asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. LANGEN).

(Mr. LANGEN asked and was given permission to revise and extend his remarks.)

Mr. LANGEN. Mr. Chairman, I rise in opposition to both of these amendments, even though I supported such an amendment when it was offered to this House at the right time and in the right place. This is not the right time nor is it the right place. It is too complex an amendment. I do not think we know what we are doing when we consider this amendment. Let me show you how ridiculous it is. In the first place, the amendment is confined to only crops planted in the fiscal year 1970. There will be no payments out of this appropriation for crops planted in 1970. The moneys that will be paid out in this appropriation are going to be for crops that were planted in fiscal 1969. Consequently, it does not constitute any limitation. This in reality could do more harm to small farmers and be of benefit to big farmers, if you

will, because they would eventually get their money. The amendment is not complete because it cannot work by the language that it contains.

The Secretary of Agriculture has issued a very strong and meaningful position on this matter. Let me read it for you:

MAY 26, 1969.

POSITION OF THE DEPARTMENT OF AGRICULTURE ON PAYMENT LIMITATIONS AS PROPOSED IN THE FINDLEY AMENDMENT TO THE AGRICULTURAL APPROPRIATIONS BILL

The Department of Agriculture believes it is possible to design a sound farm program that limits the number of dollars that can be paid to any one farmer for programs following the 1970 crop year.

However, to make such a limitation effective, legislative changes are needed. With only the simple amendment that is possible in connection with appropriation bills, the so-called "snap-back provision for cotton" would come into effect. The cotton program would then become subject to a loan-and-redemption or a buy-and-sell-back arrangement that would increase costs while the large producers would escape the intent of the payment limitation.

A simple amendment to the appropriations bill will not suffice. The Department is ready to work with the legislative committees on basic changes in the legislation and has modifications to suggest.

The preferred time for considering these changes would be later in this session or early next session, when consideration must be given to the type of legislation that is to replace present laws. These laws are scheduled to expire after the 1970 crop.

CLIFFORD M. HARDIN,

Secretary.

Inasmuch as I have already stated that the amendment applies only to crops planted in fiscal 1970, since there could be practically no payments related to those crops in this appropriations bill, it would be a meaningless gesture to adopt this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. MICHEL. Mr. Chairman, I have some mixed emotions today about being in opposition to this amendment, because I opposed it when it was last considered on last year's appropriation bill. I supported it, however, when it was offered to the legislative extension of the act for a year. Incidentally, I opposed the extension of the agriculture bill for a year because I did not want to prolong this agony any longer. What we have here is, in effect, for another year, an agricultural production control bill. Make no mistake about it.

One-third of our farmers produce about 85 percent of what is produced.

So it follows that to have any control program be effective, we have to include the biggest operators with the smaller ones. You can't have a control program work any other way.

If you do not like that kind of approach, then we must amend the legislative act. As for me, I would say we ought to move for sure in this session of Congress to enact a new farm bill. It is imperative that we move, and I would

hope the Agriculture Committee would get hearings underway soon.

I think this debate is good. It will get the message across to the Agriculture Committee and the administration that we cannot go along this course any more. These mountainous payments are coming under attack and they cannot be ignored. Just as the people are distressed over the machinations of the big foundations and millionaires evading taxes through loopholes, so are they opposed to these outlandish payments in the agricultural program.

I am in full sympathy with what the authors of the amendment and the substitute amendment are trying to do, but make no mistake about it, if the amendment is adopted it will not be the large producers that will be hurt. They have the wherewithal to break the market price for every commodity, and the small farmer will be at their mercy.

The small farmer will not be able to afford selling on the open market and if he is in the program CCC will have to take all his production. Then we are going to have to pay storage charges on these acquisitions of commodities and the price will be so low that even CCC could not afford to dump the accumulated stocks on the open market. That would of course compound the problem.

One final point. There are many increases here for those who want to help the poor and the needy. There is a great deal in this bill which provides for more food, better nutrition, and for food stamps and so on. Instead of getting increases for these food allowances provided in this bill beginning July 1, adoption of this amendment will delay the bill over in the other body and will be operating under a continuing resolution at a lower rate of expenditure. It is another aspect that you ought to think about for those of you who have been shedding tears for those who need this help so much. Mark my word, we will not have a conference with the other body before Labor Day with this limitation in the bill and as I said, I am for it in principle but not as an amendment to an appropriation bill.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN), to close the debate.

Mr. WHITTEN. Mr. Chairman, having sat in Congress for many years, I find it most disturbing to see this rift developing between regions and sections of the Nation. I think the debate this afternoon is something which the agriculture legislative committee should consider in connection with any revision of the farm bill.

But I would point out again that, insofar as the present situation is concerned, the Commodity Credit Corporation has, in addition to other funds in this bill, \$5.6 billion on hand or on loan, and it would be obligated to carry out existing payments and to make such payments as the present plans call for.

This proposal does not change what our Agriculture Committee sponsored last year. I would say if this is adopted, the large producers would get one check from funds in this bill and get the re-

mainder of their payments from other funds available to CCC. Also, I have a statement from Secretary Hardin saying if this limitation is adopted, the snap-back provisions would operate and it would cost the Government a great deal more.

I respectfully suggest we vote down both the substitute for the amendment and the amendment and let our Agriculture Committee work out these amendments in due time.

The CHAIRMAN. All time has expired.

The question is on the substitute amendment offered by the gentleman from Minnesota (Mr. QUIGLEY) for the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 93, noes 84.

Mr. WHITTEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. CONTE and Mr. WHITTEN.

The Committee again divided, and the tellers reported that there were—ayes 112, noes 100.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

CROPLAND ADJUSTMENT PROGRAM

For necessary expenses to carry into effect a cropland adjustment program as authorized by the Food and Agriculture Act of 1965 (7 U.S.C. 1838), \$78,000,000: *Provided*, That no additional agreements are authorized for fiscal year 1970.

AMENDMENT OFFERED BY MR. SCHWENGEL

Mr. SCHWENGEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCHWENGEL: On page 26, delete everything after the comma on line 2 and all of line 3 and insert in lieu thereof the following: "That agreements entered into during the fiscal year 1970 shall not require payments during the calendar year 1970 exceeding \$99,300,000."

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the amendment be reread.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk reread the amendment.

Mr. SCHWENGEL. Mr. Chairman, the purpose of my amendment is to carry forward with our cropland adjustment program. The bill as it now stands only provides funds for payments on contracts now in force. It would permit no new land retirement in 1970 under the Cropland Adjustment Act of 1965. To cut back on this program is to achieve a false economy. The leading experts in the field of agricultural policy are placing more and more emphasis on the need for long-term retirement of agricultural land as the solution for our farm problems. Iowa State University, long known for its outstanding contributions to agriculture and

agricultural policies, has recently published a document entitled "Farm Programs for the 1970's," which deals with this very question. The Center for Agricultural and Economic Development at Iowa State University, which prepared the document, urges the increased use of long-term land retirement as an alternative to our present unworkable and very expensive programs. The center's position is pretty well summarized in the following statement:

One of the least restrictive types of government programs for agriculture is one which removes all cropland on individual farms from production under a long-term contract. This type of program does not restrict individual crop production, but rather reduces acres of cropland available for planting of crops. Such a program reduces the size of the land input, and if combined with complementary programs, would return less productive cropland to grass, trees or other natural states. Such a program would initiate a reversal of government policies and programs of the last century which continue to shift additional land from a state of low productivity to an advanced state of crop production.

Mr. Speaker, both the Johnson administration and the Nixon administration budgets included the exact amount proposed by my amendment. The committee report indicates that this item was deleted because of our costly commitments in Vietnam, and the allegations of hunger and malnutrition here at home. As to the commitment in Vietnam, I can only say that I am confident that President Nixon will move to drastically reduce our commitment there in the very near future. As for the argument that we cannot take more land out of production when hunger exists here at home, I think a careful analysis reveals the fallacy of this argument. We now have in excess of 40 million acres retired under the various annual programs, in particular, the feed grains program. This 40 million acres is more than adequate to give us any needed flexibility to take care of hunger and malnutrition. If there is a need for rapid increase in production acres, the acres currently in the wheat and feed grain program are the acres to use.

The cropland adjustment program is one of our best investments. Best because it is also a conservation program and in addition, when this program was authorized, 1965, the Congress indicated its belief in this approach by authorizing \$225 million per year for the program. The increase proposed by my amendment is still far below the amount authorized. Of the \$99.3 million appropriation in my amendment, only \$21.3 million would be available for retirement of new acreage. But this would provide for retirement of about 4 to 5 million new acres.

Of particular importance here is the fact that many acres previously retired under the conservation reserve program will again be available for production. It is essential that we have sufficient funds available under the cropland adjustment program to keep this land out of production. By 1973 all of the land retired under the conservation reserve program, some 40 million acres, will again be in production unless we act now. Much of

this land is marginal, and should remain in a reserve status. Even with respect to land which is not marginal, by putting it in reserve, we are conserving the land for future use.

In fact, if the suggestions of Dr. Wallace Ogg, extension economist at Iowa State University, are followed, long-term land retirement would result in a lower net cost to the Government. Dr. Ogg suggests that emphasis be placed on retiring land which involves the highest production costs. This is a sound approach.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

May I say that after the vote on this amendment I will propose that the Committee rise.

Mr. Chairman, this is another case of adding money to pay people not to grow crops. This House has just put a limitation on the moneys that can be paid to farmers for complying with programs to take crops out of production. Now, this amendment would authorize additional contracts to take new land out of production.

I trust the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. SCHWENGEL).

The amendment was rejected.

Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. WRIGHT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE TO EXTEND

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the bill, H.R. 11612.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

HEALTH AND SAFETY STANDARDS

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, on May 16, the Secretary of Labor announced certain health and safety standards for industries performing work on public contracts under the Walsh-Healey Public Contracts Act. I think it is very unfortunate that in promulgating these health and safety standards the Secretary of Labor fixed a standard of 4.5 milligrams of coal dust per cubic meter of air, which is 50 percent above the level of 3 milligrams recommended by the U.S. Public Health Service last December as a proper level for the protection of the health of coal miners.

action is necessary to prevent a denial of justice to consumers. In *Daar v. Yellow Cab Co.*, 67 Cal. 2d 695, 433 P.2d 732, 63 Cal. Rptr. 724 (1967) (In Bank), a consumer class action on behalf of all the Los Angeles taxicab users who had been overcharged by the defendant within the period of the statute of limitations, the California Supreme Court declared:

"(A)bsent a class suit, recovery by any of the individual taxicab users is unlikely. The complaint alleges that there is a relatively small loss to each individual class member. In such a case separate actions would be economically infeasible. Joinder of plaintiffs, would be virtually impossible in this case. It is more likely that, absent a class suit, defendant will retain the benefits from its alleged wrongs. A procedure that would permit the allegedly injured parties to recover the amount of their overpayments is to be preferred over the foregoing alternative."¹⁰

It has also been noted that the deterrent or "therapeutic value" of a class action is far more important than the amount that the class action is likely to return to individual class members.¹¹

Consumer class actions are an indispensable technique for enforcing many consumer rights.¹² However, the class action procedure of a number of states is outmoded and archaic. The New York cases, for example, require a unity of interest among the members of a class which approximates the test for compulsory joinder of parties.¹³ They also require that class members desire identical remedies.¹⁴ The result of this restrictive view is that consumer class actions are summarily dismissed in New York. *Hall v. Coburn Corporation* is a case in point.

Hall v. Coburn Corporation was a consumer class action against a finance company which had allegedly violated the New York Retail Installment Sales Act by using contracts printed in less than eight-point type. The NAACP Legal Defense Fund sought refund of the service charge, a statutory penalty, on behalf of all consumers who had signed small-type contracts prepared and repurchased by Coburn Corporation within the period of the statute of limitations. However, the action was dismissed on two grounds (1) aside from the request for identical damages caused by identical conduct, the class was not united in interest; (2) maintenance of the class action would deprive members of the class of other remedies which they might prefer to pursue against the defendant or against the merchants with whom they had dealt.¹⁵

Neither of these grounds is compelling. The fact that identical damages are sought for identical conduct makes a case more suitable than unsuitable for class action treatment. Furthermore, class members' interests in pursuing other remedies can be preserved by limiting the scope of the judgment in a class action to the remedies that are actually sought. *Hall v. Coburn Corporation* is bad class action law, but, unfortunately, it is typical of the law of a number of states.

This bill draws heavily from the extensive experience of Philip G. Schrag, an able practicing attorney and graduate of the Yale Law School, and of Richard Dole, Jr., Associate Professor of Law at the University of Iowa, whose drafting work has been indispensable to its preparation. Charles L. Black, Jr., Henry R. Hume Professor of Jurisprudence at Yale Law School, was invaluable in discussing both practical and constitutional aspects of the bill.

The bill is designed to counterbalance restrictive state attitudes toward consumer class actions by permitting class actions based on violation of state consumer protection law to be brought in federal court, regardless of the amount in controversy or the citizenship of the parties. Federal court jurisdiction makes available the refinements

of contemporary federal court practice, including Federal Rule of Civil Procedure 23, the most modern class action procedure in the United States. The Class Action Jurisdiction Act of 1969 also makes clear what was already implicit; namely, that class actions are permissible under federal consumer protection laws which provide for private remedies, such as the Consumer Credit Protection or Truth-in-Lending Act.

The Class Action Jurisdiction Act of 1969 is based on the federal commerce power. It is well-established that, in the furtherance of national policy, Congress can give the federal courts jurisdiction to adjudicate state claims which arise in areas subject to Congressional regulation.¹⁶ This policy is reinforced by the Federal adoption of state statutes, a procedure often done and approved on many occasions by the courts.¹⁷ It is also well-established that there is a federal policy in favor of consumer protection. The Class Action Jurisdiction Act of 1969 furthers this federal policy by ensuring that consumer class actions can be maintained for violations of federal and state law that is intended for the protection of consumers.

FOOTNOTES

¹ Customer Bulletin, April 1965, p. 25.

² 24 F. T. C. 1413-14 (1936).

³ See 55 F. T. C. 55 (1958).

⁴ Id. at 91, aff'd, 295 F.2d 302 (7th Cir. 1961).

⁵ In *Re Holland Furnace Co.*, 341 F.2d 548 (7th Cir.), cert. denied, 381 U.S. 924 (1965).

⁶ *Holland Furnace Co. v. Korth*, 43 Wash. 2d 618, 262 P.2d 772 (1953).

⁷ *Holland Furnace Co. v. F. T. C.*, 269 F.2d 203, 209 (7th Cir., 1959), cert. denied, 361 U.S. 932 (1960).

⁸ See Comment, "Translating Sympathy for Deceived Consumers into Effective Programs for Protection," 114 U. Pa. L. Rev. 395 (1966).

⁹ "Translating Sympathy for Deceived Consumers into Effective Programs for Protection," 114 U. Pa. L. Rev. 395, 409 (1966).

¹⁰ 67 Cal. 2d at 715, 433 P.2d at 746, 63 Cal. Rptr. at 738; accord, *Eisen v. Carlisle & Jacqueline*, 391 F.2d 555, 563 (2d Cir. 1968).

¹¹ *Dolgow v. Anderson*, 43 F.R.D. 472, 485-488 (E.D.N.Y. 1968).

¹² See Stairs, "The Consumer Class Action: Considerations of Equity and Procedure," in National Institute for Education in Law and Poverty, Handbook on Consumer Law (1968); Dole, "Consumer Class Actions Under the Uniform Deceptive Trade Practices Act," 1968 Duke L.J. 1101.

¹³ *Society Million Athena, Inc. v. National Bank of Greece*, 281 N.Y. 282, 22 N.E. 2d (1939); *Brenner v. Title Guarantee & Trust Co.*, 276 N.Y. 230, 11 N.E. 2d 890 (1937).

¹⁴ *Gaynor v. Rockefeller*, 15 N.Y. 2d 120, 204 N.E. 2d 627, 256 N.Y. S.2d 584 (1965).

¹⁵ 160 N.Y.L.J. No. 28, p. 2 (Sup. Ct. Bronx County 1968), aff'd mem. (1st Dept. 1969), appeal pending.

¹⁶ See *Osborn v. Bank of the United States*, 22 U.S. (9 Wheat.) 738 (1824); Mishkin, "The Federal 'Question' in the District Courts," 53 Columbia L. Rev. 157, 184-96 (1953).

¹⁷ 40 T.L.R. 1050, 1052.

The text of the bill follows:

A bill to improve judicial machinery by providing Federal jurisdiction for certain types of class actions and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Class Action Jurisdiction Act."

Section 2, Title 28 of the United States Code is hereby amended by adding thereto a new section as follows:

"SECTION 1363. CONSUMERS' CLASS ACTIONS:

"(a) Findings and Declarations of Policy:

"The recent increase in the protection of consumers under Federal-State statutes and under the decisions of the courts makes it

desirable to establish federal policy and process to keep pace with the consumer rights that are in theory theirs. State class actions are in many instances inadequate to provide redress to consumers. Therefore, Congress declares that it is the policy of the United States to grant protection by adequate process to consumers in order to expedite the free flow of consumer goods in, and affecting, commerce. In this respect, Congress finds that an adequate process for class actions is essential to effective consumer protection, because class actions usually involve sums too small to justify individual litigation. By consolidating numerous claims of consumers injured in substantially the same manner, actions may be economically brought and sound judicial administration is promoted.

"(b) Jurisdiction of District Courts of Class Actions:

"(1) The district courts shall have original jurisdiction, regardless of the amount in controversy or the citizenship of the parties, of civil class actions brought by one or more consumers or potential consumers of goods, services, realty, or intangibles on behalf of themselves and all other consumers similarly situated, where—

"(A) the action involves the violation of consumers' rights under state or federal statutory or decisional law for the benefit of consumers.

"(B) the action is brought on behalf of numerous consumers or potential consumers of goods, services, realty, or intangibles who were or will be injured by the defendant(s) in substantially the same manner; and

"(C) the alleged violation affects interstate or foreign commerce or occurred with respect to goods, services, realty, or intangibles moving in or affecting interstate or foreign commerce.

"(2) The Federal Rules of Civil Procedure govern the conduct of these actions.

"(3) The district courts may award consumers the relief to which they are entitled under federal law as provided in paragraph (c) of this Section.

"(4) If the court determines that an action brought pursuant to this section may not properly be maintained as a class action under the Federal Rules of Civil Procedure, it shall dismiss the action without prejudice to reinstitution as an individual action in the district courts under other provisions of law or as an individual or a class action in a state court of competent jurisdiction.

"(5) If a class of consumers prevails in a class action, the court shall award to the attorneys representing the class a reasonable fee based on the value of their services to the class. If the action has resulted in an award of damages or financial penalties to members of the class, the attorney's fee shall equal ten percent of the total judgment, unless the court determines that justice dictates the award of a greater or a lesser amount. Attorney's fees may be awarded from damages or penalties which the defendant owes to members of the class who cannot be located with due diligence.

"(c) Scope of Federal Law. State law applicable to the facts of cases brought under paragraph (b) above is adopted and incorporated into federal law and shall be applied as federal law in actions brought in the district courts under this Section; provided,

"(1) That the same is not inconsistent with existing federal law, and

"(2) That the policy of this Section, giving consumers the right to sue in class actions as provided in paragraph (b) above, shall be engrained upon such state law so that the result shall constitute the substantive law enforced in federal courts under the provisions of this Section.

"(d) This Section shall not be deemed to prohibit a litigant from choosing a state forum and from trying a case solely under

state law without the case being subject to removal on grounds of federal question jurisdiction under Title 28, Section 1441, United States Code.

"Sec. 3. The analysis of Chapter 85 of Title 28, United States Code, is amended by adding at the end thereof a new item as follows: "§1363. Consumers' class actions."

AMERICAN AGRICULTURE

HON. BILL D. BURLISON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 26, 1969

Mr. BURLISON of Missouri. Mr. Speaker, if the United States of America were a primitive, isolated village of 20 persons, and if one of those 20 produced all of the food—and much of the fiber for clothing—consumed by the other 19, that one man would be hailed by his fellows as the preeminent contributor to the commonweal. For they would see clearly—in these simple circumstances—that they depended on this single individual for the most basic necessities of life itself.

This great Nation is not, of course, a primitive village—far from it. Yet one American on the farm does, in fact, produce nearly all of the food and fiber consumed by 19 of his fellow citizens.

Not only is this fact little understood today by the 94.4 percent of our people who live in cities and towns, but the whole vast scope of our amazingly productive agricultural economy is a foreign subject to tens of millions of our citizens:

Many of our children undoubtedly think milk originates in cartons;

They may believe that meat and poultry begin their trip to market wrapped in plastic;

They are probably not aware that a woolen suit or cotton shirt did not just grow that way.

These children's parents would not make these mistakes, of course, but they, too, are likely to be unaware of conditions on the farm today, and of the fact that agriculture is still the very cornerstone of our modern way of life.

It has been pointed out in many reports of the Committee on Appropriations that the economic welfare of the Nation's economy is dependent on the economic strength of each segment thereof. Time has proved that labor and industry can be prosperous only to the extent that the agricultural economy is strong and healthy.

Agriculture is the principal source of new wealth. It is the main provider of basic raw materials which support all segments of business and industry. Reliable estimates indicate that each dollar of wealth taken from the soil generates \$7 of income throughout the rest of the economy.

Agriculture is our largest industry. Its assets exceed those of any of the next 10 largest industries. It employs more workers than any other major industry. It employs seven times the number of people in the mining industry, 23 times

the number in the oil and coal industry, and five times the number in the automobile industry. In addition, it supports directly another 10 percent of our non-farm population which supplies the farmer with his needs and processes and markets his products.

Agriculture is one of the major markets for the products of labor and industry. It spends more for equipment than any of the other large industries. Agriculture uses more steel in a year than is used for a year's output of passenger cars. It uses more petroleum products than any other industry in the country. It uses more rubber each year than is required to produce tires for 6 million automobiles. Its inventory of machinery and equipment exceeds the assets of the steel industry and is five times that of the automobile industry.

But over the years, in spite of Government farm programs, industry and labor's share of the consumer's food dollar has risen substantially. Compared with 1950, retail food prices were up almost 40 percent by 1968. But during that same period, prices received by farmers, while fluctuating from year to year, remained unchanged in the aggregate.

In 1950, the farmer's share of the retail food dollar was 47 cents. By 1968, it was down to 39 cents. Taking several specific examples:

The farmer receives only 3.3 cents of the retail cost of a loaf of bread, which averaged 22.4 cents in 1968.

In the same year, he received only 23 cents of the \$4.60 retail price of a cotton business shirt.

The farmer's component of the 87-cent-per-pound average retail price of beef was only 52 cents per pound.

One of the important contributions of American agriculture to the national economy has been its contribution to our balance of payments abroad.

Total agricultural exports increased from \$4.5 billion in 1960 to \$6.3 billion in 1968. Exports for dollars rose from \$3.2 to \$4.7 billion during this period. During the calendar year 1967, agricultural exports for dollars exceeded agricultural imports by \$585 million. This more than offset the trade deficit for commercial trade of \$400 million in 1967.

From 1961 through 1968, agricultural exports contributed over \$32 billion to our balance of payments. Even though only about 22 percent of total exports are agricultural commodities, they account for over 50 percent of our favorable trade balance.

The efficiency and productivity of U.S. agriculture has made this country the world's largest exporter of food to the many nations of the world. In recent years the export of U.S. agricultural commodities has increased to the point where production from 1 out of each 4 acres is sold abroad. In addition to supplying much needed foreign exchange, this has contributed to the domestic economy by providing about 1 million jobs in the agribusiness fields.

American agriculture continues to make a major contribution to the national welfare through the production of bountiful supplies of high-quality and

low-cost foods for the Nation's consumers. Food is one of today's best bargains.

This is apparent at the supermarkets, where city consumers can choose from thousands of safe, wholesome, and delicious foods—products of the farms of our 50 States. Using only 17 percent of their income, American consumers can select foods with a knowledge of nutrition and balanced diets that makes this a Nation of healthy and well-fed people. Many people in the world spend half or more of their available income on food. In underdeveloped areas people spend most of their time grubbing a living from the earth.

In 1929, 23.4 percent of consumer income in the United States went for food. This decreased to 22.2 percent in 1950, 20 percent in 1960, and 17 percent last year. This steady decrease has occurred despite the increasing portion of food costs which go for marketing and related services. If the 1960 level of 20 percent had continued through 1968, U.S. consumers would have had \$18 billion less to spend for the products of industry and labor.

Mr. Speaker, the above has been emphasized by the committee as some compelling reasons why it is realistic to expect our Government to help agriculture, because to help agriculture is to help our entire Nation. I subscribe to this philosophy. The bill—H.R. 11612—does not provide as much as some of us would like. However, we must remember that our Nation faces many pressing priorities. When this is kept in mind, the proposal constitutes sound farm legislation.

THE METRO SYSTEM

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, May 26, 1969

Mr. GUDE. Mr. Speaker, the League of Women Voters has been a prime mover of the concept and development of a rapid rail transit system for the metropolitan Washington region. As a Representative from this metropolitan area, I have consistently supported the development of this metro system as well as all other aspects of our long-planned regional transportation system. The league, in their continuing efforts to see the implementation of this system, has directed to the Vice President and the Speaker its expression of urgent need for the appropriations of construction monies for metro system.

Mr. Speaker, I commend to my colleagues the expressions of concern of the league as set forth in this communication which follows:

LEAGUE OF WOMEN VOTERS,
METROPOLITAN WASHINGTON COUNCIL,
May 19, 1969.

The Honorable SPEAKER OF THE HOUSE OF REPRESENTATIVES,
House Office Building,
Washington, D.C.

DEAR SPEAKER MCCORMACK: This letter is written in this manner to bring to the at-

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued May 28, 1969
For actions of May 27, 1969
91st-1st No. 87

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HIGHLIGHTS: House passed agricultural appropriation bill. House committees voted to report bill to provide marketing orders for certain pears, potato promotion bill, and bill to provide free or reduced price meals to needy children. Rep. Farbstein criticized USDA's "failure...to adequately administer the food stamp program." Rep. Patman criticized "inadequate" rural housing. Sen. Young, N. D., and Reps. Andrews, N.D., and Rep. Kleppe introduced and discussed water bank bills.

HOUSE

1. APPROPRIATIONS. Passed, 321-50, with amendments H. R. 11612, the agricultural appropriation bill, 1970. pp. H4168-83

A point of order made by Rep. Whitten, against an amendment by Rep. Findley to repeal the "snap-back" provision of the Agriculture Act of 1949 applicable to cotton legislation, was sustained. pp. H4169-72

Rejected an amendment by Rep. Edwards, Calif., to prohibit the use of funds within any State or county for any program or activity not in compliance with Title VI of the Civil Rights Act of 1964. pp. H4172-75

By a record vote of 224-142 adopted the amendment by Rep. Conte to limit subsidy payments to \$20,000 a year to any individual farmer (other than for sugar) (pp. H4175-82). This amendment had been agreed to on May 26 by a teller vote.

A motion by Rep. Michel to recommit the bill was rejected. p. H4182

Passed, 325-6, with amendments H. R. 11582, the Treasury-Post Office Departments, the Executive Office of the President, and certain independent agencies appropriation bill, 1970. pp. H4183-207.

2. BUILDINGS. The "Daily Digest" states that a resolution was reported for the consideration of H. R. 10946, to promote health and safety in the building trades and construction industry in all Federal and federally financed or federally assisted construction projects. p. D439

3. POTATOES; PEARS. The "Daily Digest" states that the Agriculture Committee voted to report (but did not actually report) H. R. 2777, the potato research and promotion bill (amended), and H. R. 2690, to authorize marketing orders on pears for canning or freezing (amended). p. D440

4. REDUCED-PRICE MEALS; OLDER AMERICANS. The "Daily Digest" states that the Education and Labor Committee voted to report (but did not actually report) H. R. 11651, "to provide funds and authorities" to USDA to provide free or reduced-price meals to needy children, and H. R. 11235, amended, to amend the Older Americans Act, amended. p. D440

5. EDUCATION. Rep. Langen inserted his statement in support of funding the Vocational Education Work-Study Program. pp. H4209-11

6. TAXATION. Rep. Henderson inserted an article in support of the retention of the 7-percent investment tax credit. pp. H4213-16

7. FOOD STAMPS. Rep. Farbstein inserted a copy of a letter he sent to Secretary Hardin "complaining of the failure of the Department of Agriculture to adequately administer the food stamp program" and listed counties with formal applications for food stamp programs pending before the Department as of May 26. pp. H4229-31

8. RURAL HOUSING. Rep. Patman stated that replies to a series of questions, based on the Farmers Home and HUD housing report, served "to point out...that Farmers Home Administration is so inadequately funded and staffed that it will never make a dent in the overwhelming housing needs of impoverished families in rural America." pp. H4231-34

appointed members of the board will be empowered to modify such determinations if they consider it in the public interest to do so.

Congress will have express authority to veto decisions on rate and classification questions.

The activities of the Postal Service will be subject to Congressional oversight, and the Act provides for regular reports to Congress. The Postal Service and the rules by which it operates can, of course, be changed by law at any time.

TOWARD POSTAL EXCELLENCE

Removing the postal system from politics and the Post Office Department from the Cabinet is a sweeping reform.

Traditions die hard and traditional institutions are difficult to abandon. But tradition is no substitute for performance, and if our postal system is to meet the expanding needs of the 1970s, we must act now.

Legislation, by itself, will not move the mail. This must be done by the three-quarters of a million dedicated men and women who today wear the uniform of the postal service. They must be given the right tools—financial, managerial and technological—to do the job. The legislation I propose today will provide those tools.

There is no Democratic or Republican way of delivering the mail. There is only the right way.

This legislation will let the postal service do its job the right way, and I strongly recommend that it be promptly considered and promptly enacted.

RICHARD NIXON.

THE WHITE HOUSE, May 27, 1969.

POSTAL REFORM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GERALD R. FORD. Mr. Speaker, it is often true that what we need the most for our own well-being we assiduously avoid. There is little question in my mind that complete redirection of our postal system is, as President Nixon today has told us, "absolutely essential."

There is also little question in my mind that if the sweeping reforms proposed by the President are to become reality, it will only be because postal employees finally recognize that the proposed new U.S. postal service is in their own self-interest.

Mr. Speaker, the American people want a thorough-going change in the operations of the Post Office Department. They want improved, efficient, fast mail delivery. The taxpayers want postal reform. They are sick of subsidizing the Post Office Department to the tune of nearly a billion dollars a year. I do not think anyone will have to sell the President's proposed new postal service to the people.

But the President and all others who recognize the imperative need for putting delivery of the mail on a business basis will have to do a selling job on postal employees and Congress.

Mr. Speaker, I believe the proposed creation of a Government corporation

to run the U.S. postal service is an idea whose time has come. This is not a partisan political issue. Former Postmaster General Lawrence O'Brien strongly supports the new concept for an improved mail service.

The time has come because all of the facts show postal reform to be in the enlightened self-interest of all of the American people, including our 750,000 postal employees.

Regrettably I understand that representatives of postal employees have vowed to fight the proposal for a Postal Service Corporation down to the last mail bag. It is my guess that their views will change when they see what it will mean in terms of their own self-interest.

Whatever the significance for other Federal employees, the fact remains that postal workers under the President's reform plan will be able to engage in true collective bargaining for the first time. In addition, the plan calls for binding arbitration of stalemated disputes.

As President Nixon expressed it:

The postal worker will finally take his rightful place beside the worker in private industry.

Mr. Speaker, Congress must take every vestige of politics out of our postal system. Postal reform deserves the support of every Member of Congress, regardless of party.

Mr. STEIGER of Wisconsin. Mr. Speaker, President Nixon today earned the respect of every American who has ever mailed a letter by the courage and scope of his message urging total reform of the postal system.

The President has clearly defined the problem of deteriorating service when he states:

The Post Office Department is failing the mail user in terms of service, failing the taxpayer in terms of cost, and failing the postal worker in terms of truly rewarding employment.

Increasingly I have received letters from postal workers describing antiquated and unfair conditions, and complaining that they must come begging to Congress for additional wages and benefits. It is little wonder that the postal worker is demoralized. Our postal system is encumbered by obsolete facilities and equipment; inadequate capital and outdated operation practices.

I am very pleased, therefore, that President Nixon has given first importance to the postal workers in his reform.

This is a continuation of the Presidential concern initially demonstrated in his Executive action to take politics out of the Post Office. In his message to Congress at that time, the President stated:

The change would expand opportunities for advancement on the part of our present postal employees. These are hard-working and loyal men and women. In the past, many of them have not received adequate recognition or well-deserved promotions for reasons which have had nothing to do with their fitness for higher position or the quality of their work.

The postal service is in danger of complete collapse. Breakdowns such as occurred at the Chicago post office during the Christmas rush of 1966 can occur at any time.

Postal officials of both political parties have been appalled at the condition of the postal service. Thirteen years ago, President Eisenhower's Postmaster General said:

While American business was making rapid progress in materials handling techniques, in accounting and financial practices, in transportation methods, and in employee relations, the Postal Service has stood practically still in its operating methods.

The situation went from bad to worse until 2 years ago, President Johnson's Postmaster General said the Post Office was in "a race with disaster."

The postal reform bill proposed by President Nixon is a reasonable and balanced approach to dependable mail service. It deserves prompt consideration and passage.

Mr. TAFT. Mr. Speaker, President's message on postal reform concerns itself with the four basic problems of postal service in the United States:

The problem of people: The people who work for the postal system "want the kind of advantages enjoyed by workers in other major industries." The proposed "new and extensive bargaining rights for postal employees" deal directly with the needs of the postal workers.

The problem of service: Current postal service is, to use the most charitable word, erratic. Bond financing for major improvements coupled with overall postal reform will improve this service.

The problem of organization: The Post Office is currently organized along lines suitable perhaps to another age but not to this one. The removal of the Post Office from the Cabinet and the "creation of an independent postal service wholly owned by the Federal Government" are two means by which needed reorganization will take place.

The problem of money: The Post Office now costs too much and delivers too little service. The President's call for "a fair and orderly procedure for changing postal rates, subject to Congressional review" plus the efficiency gained by modern business techniques will make the creaky, inadequate high-priced service a thing of the past.

Four problems—four major solutions: The President and the Postmaster General have demonstrated that reason, commonsense, and courage to take new and bold courses can breath new life into a system even as far gone as our postal system.

Mr. CRAMER. Mr. Speaker, I am delighted that the administration has taken the initiative in sending to the Congress a bill calling for needed reform of the Nation's postal system. I wholeheartedly agree that the postal system is in need of a revamping and I intend to support any reasonable and responsible measure to accomplish this end.

In particular, I believe any reorganization of the postal system should include means for adequate financing, improved employer-employee relations, better salaries for the employees, significantly greater job security, and of equal importance, a method for providing faster and more reliable and better organized postal service to the postal patrons in the United States.

It is my belief that postal reform cannot wait any longer. All who are in a position to know agree that the Post Office department presently has antiquated procedures which can only be corrected by sweeping organizational reform.

I again commend the administration for taking the first needed step of bringing the matter of postal reform before the Congress and I am hopeful that legislation dealing with this problem will be accomplished this year.

Mr. BUSH. Mr. Speaker, President Nixon and Postmaster Blount are to be commended for their efforts to provide a more efficient postal system while at the same time protecting the postal working men and women. The proposal the President submitted to the Congress today is extremely forward thinking and recognizes the needs of the American public for improved postal service and the needs for the postal workers for improved working conditions.

The Post Office Department has a unique opportunity—and therefore a unique responsibility—to be a model employer. The Post Office Department is in every community throughout the land. It pervades our economy. Close to one out of every 110 gainfully employed persons in this country works for the Post Office Department. If each of these employees had a sense of satisfaction and a sense of dedication about his employment, the benefit to the Nation as a whole would be immeasurable.

But Post Office employment falls woefully short of what it should be. Working conditions are often deplorable. And worse than the frequently archaic and cramped physical plant is the atmosphere of helplessness that pervades too many post offices. When dedicated people see about them conditions which they cannot correct, dedication turns to discouragement and despair. The Post Office is also faced with ever-increasing difficulty in attracting capable employees. Turnover rates are startlingly high. Some of the reasons for this are the inadequate opportunities for advancement and the fact that Congress has chained the postal service to rigid nationwide wage rates.

So postal reform is long overdue. And I am delighted by the clear stated intention of our President and Postmaster General to change things. I believe that the proposal sent to Congress today will go a long way toward solving the problems our postal system faces and the problems faced by its employees. I am happy to support the administration in its efforts to effect this much needed reform.

Mr. RHODES. Mr. Speaker, I for one have always agreed with those who say neither snow nor rain nor heat nor gloom of night can interfere with the services provided by the U.S. Post Office. I have agreed because it seemed obvious to me that man had botched up postal service so much there was not anything left for meteorological forces to interfere with.

But what man has done in certain cases, he can undo. The President's call for sweeping postal reform is an historic and long-awaited call to action.

His proposed Postal Service Act of 1969 is the Magna Carta of the Mail. He

has shown the three essential qualities of leadership, qualities which have been demonstrated again and again during these first few months of this administration.

He has shown courage—courage to tell the truth about political mismanagement, terrible working conditions for postal workers and the need for overall instead of patchwork reform.

He has shown imagination—imagination in his call for removal of the Post Office from the Cabinet, creation of an independent postal service wholly owned by the Government, and collective bargaining rights for postal employees.

He has shown concern—concern for postal employees, for the citizens who use the postal services and for all Americans who suffer from inadequate, high-cost postal services.

The President's message points to a great day when, in the field of postal service, all we will have to worry about is the weather.

GENERAL LEAVE

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of the President's message on postal reform.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

OLD GLORY MUST FLY ON THE MOON

(Mr. RARICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RARICK. Mr. Speaker, I join with millions of our fellow countrymen in applauding the successful Apollo X flight, and the safe return of our three astronauts to the United States. My congratulations go out to our space pioneers, Stafford, Young, and Cernan.

Mr. Speaker, I have consistently supported every space program because I sincerely believe the United States must maintain its leadership in the exploration of outer space as a matter vital to our national interest. We cannot tolerate space superiority by a hostile power.

And I am very concerned over the reluctance of our space administration people to confirm or deny to our citizens that our astronauts on reaching the moon may not be authorized to erect the U.S. flag.

Certainly the aerospace program is a U.S. commitment, made possible only by U.S. tax dollars, U.S. technology and the fearlessness of the U.S. astronauts—some of whom have given their lives in this cause. To raise any other than the U.S. flag would be dishonest and inappropriate. When our men land on the moon, history and national pride demand that Old Glory be raised there.

I ask that our colleagues join in insisting that the flag of the United States be permanently emplaced on the moon—and that flag be one flown first over the U.S. Capitol.

I include a letter from NASA:

NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION,
Washington, D.C., May 23, 1969.

Hon. JOHN RARICK,
House of Representatives,
Washington, D.C.

DEAR MR. RARICK: We have received your inquiry on behalf of a constituent, concerning the possibility that the first astronauts on the moon may erect a United Nations flag.

As we approach the time when we may attempt the first manned landing on the moon, we are giving consideration to the symbolic articles, such as flags, emblems, or other articles, that should be carried on this historic mission, including articles to be left on the moon to commemorate the landing and those that might be taken to the moon and brought back to earth for permanent display. Before making decisions on these matters, a careful review is being made within NASA, taking account of the many suggestions received from outside the Agency.

We appreciate knowing of your constituent's expression of concern, and assure you that all viewpoints will be seriously considered before decisions are reached.

Sincerely yours,

ROBERT F. ALLNUTT,
Assistant Administrator for Legislative
Affairs.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1970

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The gentleman from New York makes the point of order that a quorum is not present, and evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 63]

Anderson, Calif.	Dwyer	Price, Tex.
Ashley	Edwards, La.	Randall
Bates	Evins, Tenn.	Rees
Bell, Calif.	Ford,	Reifel
Berry	William D.	Rosenthal
Bingham	Foreman	Roudebush
Blatnik	Gallagher	Roybal
Boland	Gettys	Sandman
Brown, Calif.	Goldwater	Scherle
Burleson, Tex.	Hébert	Scheuer
Burton, Calif.	Helstoski	Smith, Iowa
Cahill	Hollifield	Stephens
Carey	Hunt	Stratton
Chisholm	Kirwan	Stubblefield
Clark	Kuykendall	Symington
Clawson, Del.	Kyl	Teague, Calif.
Colmer	Latta	Thompson, Ga.
Conyers	McClure	Thompson, Wis.
Corbett	Macdonald,	Tunney
Corman	Mass.	Watts
Cowger	Martin	Welcker
Cunningham	Mollohan	Wiggins
de la Garza	Morton	Wilson, Bob
Dowdy	Pike	Wold
Dulski	Pollock	Young
	Powell	

The SPEAKER. On this rollcall 359 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MODIFYING ELIGIBILITY REQUIREMENTS GOVERNING GRANT OF ASSISTANCE IN ACQUIRING SPECIALLY ADAPTED HOUSING TO CERTAIN VETERANS

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 408) to modify eligibility requirements governing the grant of assistance in acquiring specially adapted housing to include loss or loss of use of a lower extremity and other service-connected neurological or orthopedic disability which impairs locomotion to the extent that a wheelchair is regularly required, with Senate amendments to the House amendments, and concur in the Senate amendments to the House amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments to the House amendments, as follows:

Page 1, line 4, of the House engrossed amendments, strike out "'\$15,000'" and insert "'\$12,500'".

Page 1, strike out all after line 4 over to and including line 2 on page 2, of the House engrossed amendments, and insert:

"Sec. 3. Section 1811(d) of title 38, United States Code, is amended by striking out '\$17,500' each place where it appears therein and inserting in lieu thereof in each such place '\$21,000'."

Mr. TEAGUE of Texas. Mr. Speaker, the motion that I have made will send the bill to the White House. As passed by the Senate, the measure enlarged the class of beneficiaries for paraplegic housing to include those who had lost one extremity and who had a residual of a disease which preclude locomotion without a wheelchair. The House in passing the bill as reported unanimously by the Committee on Veterans' Affairs increased the amount of the paraplegic grant from \$10,000 to \$15,000. This grant had not been increased since 1948 when the law was first passed. Since that time housing costs have more than doubled. Our committee felt that we were acting in a conservative and responsible way in providing for a 50-percent increase which has now been reduced by one-half by the Senate action. The House also increased the amount of direct loans from \$17,500 to \$25,000. The Senate amendment reduced it to \$21,000. The House also provided loan guarantee eligibility for those individuals who live in satellite towns and who wish to participate in the Veterans' Administration loan guarantee program. The Senate accepted that amendment.

Mr. Speaker, I am concurring in these amendments by the Senate with considerable reluctance in an effort to get a bill passed as promptly as possible. I feel that the action of the Senate is unduly restricted and not in accordance with the economic facts of life with which we are faced today.

The Senate made one other amendment of a technical nature. The existing law permitted direct loans to be made in certain areas where such action was warranted in the discretion of the administrator up to \$25,000. The House in passing the bill had eliminated that provision because a general limit of \$25,000 was set. The Senate has restored this previous discretionary limit of \$25,000 and my motion would concur in that action also.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask a question of the gentleman from Texas (Mr. TEAGUE), and that is this, if all amendments are germane to this bill?

Mr. TEAGUE of Texas. Mr. Speaker, if the gentleman will yield, all amendments are germane.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. HALL. Mr. Speaker, further reserving the right to object, as I understand it, if the distinguished gentleman would reply, this is the bill that passed the House on the Consent Calendar the other day for the paraplegics and other veterans, making those in our current conflict eligible, and also raising the housing allowance for those requiring special types of habilitation.

The gentleman says the Senate amendments are germane. Do I also understand that they have reduced the amounts payable to these needy veterans in either the paraplegic or multiple-amputee categories? Is this acceptable to the distinguished chairman of the Committee on Veterans' Affairs?

Mr. TEAGUE of Texas. Mr. Speaker, if the gentleman will yield, well, I do not think it should have been reduced, but in order to get a bill through I did confer with the minority members and we reluctantly agreed to the amendments.

Mr. HALL. Mr. Speaker, does the distinguished gentleman, the chairman of the House Committee on Veterans' Affairs, who has done so much for veterans in the field of housing, feel that in order for the expeditious handling of the bill that the Senate amendments, even though they are reduced in places where one feels we are being penny wise and pound foolish, is more important than a conference with the other body wherein with the gentleman's expertise he might work out this problem for the betterment of the veterans?

Mr. TEAGUE of Texas. Yes, I do. However, our committee will be taking up the subject of housing later in this session and I would like at this time for this legislation to go on through.

Mr. HALL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments to the House amendments were concurred in.

A motion to reconsider was laid on the table.

CORRECTION OF ROLLCALL

Mr. RIEGLE. Mr. Speaker, yesterday on rollcall No. 61, a quorum call, I am recorded as absent. I was present and answered to my name. I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1970

Mr. WHITTEN. Mr. Speaker, I renew my motion that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 11612, with Mr. WRIGHT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read through line 3 on page 26 of the bill.

If there are no amendments to be offered at this point, the Clerk will read.

The Clerk read as follows:

GENERAL ADMINISTRATION SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed \$5,000 for employment under 5 U.S.C. 3109, \$4,838,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That not to exceed \$250,000 of funds contained in the Working Capital Fund established under authority of Public Law 78-129 may be used to carry out responsibilities under the Civil Rights Act of 1964.

AMENDMENT OFFERED BY MR. FINDLEY

Mr. FINDLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FINDLEY: On page 30, line 19, strike the period and insert the following: "": *Provided further*, That the Agricultural Act of 1949, as amended, is amended by repealing section 103(d) (12)."

Mr. WHITTEN. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Mississippi reserves a point of order.

Mr. FINDLEY. Mr. Chairman, the cotton program contains what is called the snapback provision on which this body heard considerable comment yesterday. I believe all are agreed who are critical of the cotton program that this is an undesirable feature. I view it in that light myself.

It was put in the program in order to provide a fallback in the event that a limitation on payment should subsequently be voted by Congress.

The purpose of this amendment is to strike that provision from the law.

I might add, too, that even though the snapback creates an element of uncertainty as to just how the cotton program would be carried out, nevertheless I feel that it is possible for the Department of Agriculture to carry out the snapback provision in a manner that will still be subject to the \$20,000 limitation amendment which was accepted by the Committee yesterday.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Chairman, as I understand the amendment offered by the gentleman from Illinois, it would in effect repeal the 1965 snapback provision in the existing legislation?

Mr. FINDLEY. Exactly.

Mr. GERALD R. FORD. If his amendment is not approved, does the gentleman agree with the figures that were discussed yesterday during the consideration of the appropriation bill that there would be an additional \$160 million cost to the program under the Conte amendment.

Mr. FINDLEY. I must respond this way: that I believe it is conceivable that the snapback provision could be carried out in such a manner as to increase costs of the program, but I believe it is also conceivable that the snapback provision, providing as it does a latitude of choice and ways for the Secretary to go, could be administered in a manner as to reduce considerably the cost of the cotton program as compared with the cost for 1968.

I would be glad to elaborate on that.

Mr. GERALD R. FORD. But the effort of the gentleman at this time by his amendment is to a degree an admission that it could be a greater cost to the taxpayers as a consequence of the amendment which was agreed to in the Committee of the Whole?

Mr. FINDLEY. That is assuming unwise administration. I do not accept that assumption.

Mr. GERALD R. FORD. Let me add one other point, if I might.

Under the limitation, up to \$20,000 would be paid in the regular way. But it is also true that the remainder that would be owed to the farmer or to the farm up to the amount previously obligated would come from another fund; is that correct?

Mr. FINDLEY. I am sorry, I must say I did not follow the gentleman's question.

Mr. GERALD R. FORD. Well, it would be agreed under the Conte amendment limitation that any farmer or farm could get up to \$20,000.

Mr. FINDLEY. That is correct. It would establish such limitation.

Mr. GERALD R. FORD. Under the snapback provision in the existing law, is it not true that further sums or payments under that law would also be paid?

Mr. FINDLEY. It depends on the administration. If the Secretary should elect to go with the authority for simultaneous purchase and sale, it is my belief, and I have not had anyone in the Department seriously challenge this, the Department can construe simultaneous purchase and sale as another form of direct payment and, therefore, subject to the limitation.

Mr. GERALD R. FORD. But the intent of the law when Congress passed the snapback provision was to make full payment, regardless of any limitation.

Mr. FINDLEY. That is correct. But I would like to say that the intent of the Congress expressed in the payment limitation amendment came after the snapback was voted by the Congress.

Mr. DENNEY. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman.

Mr. DENNEY. Is it not true that with the snapback provisions in there that the Secretary would be required to pay 65 percent of parity; that is, a very minimum up to 90 percent?

Mr. FINDLEY. Yes; that is assuming he does not go by the simultaneous purchase and sale route.

Mr. DENNEY. He has the other alternative.

Mr. FINDLEY. If he goes by the simultaneous purchase and sale route, it would properly be considered as a direct payment.

Mr. DENNEY. That is right, and there is no guarantee if he would go by that route that your \$20,000 limitation would apply on that type of procedure; is there?

Mr. FINDLEY. Assuming good administration—and I am glad to make that assumption—I feel that the \$20,000 limitation would apply. But I might also add that the rule of germaneness does not apply in the other body and the Senate will have the opportunity to consider striking this snapback. It is also fair to say that the Committee on Agriculture, that is the legislative committee, would take note of this limitation on payments and very likely would be in session the very next morning considering additional cotton legislation.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DENNEY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DENNEY. Is it not true at this time under present parity prices, that cotton support price is at 43 percent of parity?

Mr. FINDLEY. I have heard that 65 percent of parity on cotton, 1-inch Upland Middling cotton, is about 30 cents a pound, but how that translates in terms of payments, I am not quite sure.

Mr. DENNEY. I think research will show that present price support is about 43 percent. So if your amendment goes through, we are definitely faced with a minimum of 65 percent on the buy and sell procedure which you originally were talking about here. Then there is the question of whether or not there is a \$20,000 limitation. So it is conceivable that this amendment could cost \$160 million more than the \$300 million that it saves.

If that happens, then it is conceivable that the small farmer, because that will come out of the Commodity Credit Corporation funds, could lose by virtue of this amendment; is that not true?

Mr. FINDLEY. In this world where we are hopping to the moon and back, almost anything is conceivable—but I do not think the assumption is a reasonable one to make.

Mr. DENNEY. Do you agree that this administration has only had 4 months to try to work out the problem in this agricultural fiasco and then do you agree that there should be some limitation on some of these farm subsidy programs, and possibly we should give the administration time to get a bill before the Committee on Agriculture and to the Committee on Appropriations?

Mr. FINDLEY. They have ample time between now and when the limitation amendment will be effective to come up with a new program and get it enacted by the Congress. So I view this as a valuable spur to the legislative process.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(On request of Mr. GERALD R. FORD, and by unanimous consent, Mr. FINDLEY was allowed to proceed for 5 additional minutes.)

Mr. WHITTEN. Mr. Chairman, my reservation still applies, does it not?

The CHAIRMAN. The gentleman from Mississippi still reserves his point of order against the amendment, but the unanimous-consent request that the gentleman from Illinois may be allowed 5 additional minutes finds no objection, therefore the gentleman from Illinois is recognized for 5 minutes.

Mr. FINDLEY. May I just make a comment to explain in part why I have offered the amendment. In the past couple of months I have had a number of discussions with officials of the Department of Agriculture as to the problems they might encounter administratively should a limitation on payments be enacted by the Congress. They did express concern about the snapback provision, and I assured them that if a limitation amendment was successful, I would do the best I could to get a second amendment accepted by the House which would have the effect of eliminating what they considered to be a troublesome problem.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield further?

Mr. FINDLEY. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. This morning the implications of the so-called Conte amendment were discussed at the White House with Secretary of Agriculture Hardin. Secretary Hardin stated that he felt obligated to carry out the provisions of the snapback law as Congress intended, and if that were done—and he indicated that it was their responsibility to do so—the Conte amendment would place an additional burden on the taxpayers to the extent of \$160 million. I have a great deal of faith in the integrity and the knowledge of the Secretary of Agriculture, and when he tells me that he is obligated to carry out the law which the gentleman now wants to repeal, the continued existence of which law will cost \$160 million more because of the Conte amendment, I am going to vote against the Conte amendment.

Mr. FINDLEY. Of course, the gentleman has an advantage on me because I was not present at that discussion. But did the Secretary consider the alternative which is written into the snapback provision which would give him this other course of action to take if he elected to do so, that is, the simultaneous purchase and sale route?

Mr. GERALD R. FORD. I assume that the Secretary of Agriculture, who had one or more of his advisers with him, had considered that possibility. But he stated categorically that he would be obligated to carry out the so-called snapback provision of the existing law, and as a consequence, the additional burden to the taxpayer would be \$160 million as a result of the Conte amendment.

Mr. FINDLEY. The gentleman makes a very good argument for the amendment I have now offered. Also may I express the hope that either by the amendment now before the House or by some subsequent action in the Senate or otherwise we can eliminate the snapback provision.

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I am glad to yield to the gentleman from Minnesota.

Mr. LANGEN. Is it not true that this kind of demonstrates the folly of the amendment we adopted yesterday as well as the one now proposed?

Mr. FINDLEY. No, I think it clearly demonstrates that the House does have a means to put a spur on the legislative process when there has been such a long lapse of time without any action whatever.

Mr. LANGEN. What we are talking about is a snapback provision, but the amendment applies only to crops planted during the fiscal year 1970. None of those provisions will go into effect until after the moneys in this appropriation bill have long been expended. So consequently you cannot associate the moneys in this bill with the provisions of the snapback language which would apply to a crop that will not even be harvested.

Mr. FINDLEY. I must interrupt to say that the moneys provided in this bill will affect the salaries of those officials who would formulate the programs for the 1970 crops.

Furthermore, as the gentleman very well knows, under the provisions of the

Feed Grains Act there is a provision for advance payment in the springtime, which would clearly cover this period.

Mr. LANGEN. There is no provision in the appropriation bill for such payment. The past administration recommended that it be eliminated, and there are no moneys in the appropriation bill for that purpose.

Mr. FINDLEY. Is there anything in the statute to prevent advance payments?

Mr. LANGEN. When we are talking about a snapback provision, we are talking about a provision which is to apply to the crops planted in fiscal 1970, which means planting after July 1 of this year. Those crops will not become subject to any kind of payment while these moneys are available for expenditure.

Mr. FINDLEY. Can the gentleman clear up whether he is for the amendment, offering an amendment to the amendment, or just what?

Mr. LANGEN. I just indicated to the gentleman that both this amendment and the one yesterday will not serve a proper purpose in limiting expenditures.

Mr. FINDLEY. If that is true then there is nothing for him to worry about.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(On request of Mr. HUNGATE, and by unanimous consent, Mr. FINDLEY was allowed to proceed for an additional minute.)

Mr. HUNGATE. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Chairman, I commend the gentleman on his courage and I would say that I believe now there really was a Daniel and he did go into the lion's den.

I ask the gentleman if this amendment is similar to the one that was adopted in a previous Congress and deleted in the Senate.

Mr. FINDLEY. This amendment or one with the same effect was a part of the amendment which was voted by the House on July 31 last year. Unhappily, under the rules applying to appropriation bills, such is subject to a point of order, and the gentleman from Mississippi will, no doubt, make the point of order. But that does not mean we are unable to take some means of getting the snapback provision out of the law—and I believe we can. I would believe the Senate, if it accepts the limitation, will also take the necessary measures to eliminate the snapback provision.

Mr. HUNGATE. Mr. Chairman, I thank the gentleman from Illinois.

The CHAIRMAN. The gentleman from Mississippi reserved a point of order.

Mr. WHITTEN. Mr. Chairman, I reserved a point of order and I would like to be heard in support of it.

Mr. Chairman, the colloquy that has taken place has gone rather far afield. But if I may presume on the House a little bit, I would like to recite a little history which makes it quite clearly subject to a point of order.

I must again point out that the Commodity Credit Corporation is a corporation with all the rights and powers of a corporation. Yesterday the Chair held—

and I may say I still differ respectfully with the point of view—that this amendment or limitation was in order since it would apply to the money in this bill. If that language should stay, it means all the payments throughout the country of \$20,000 and under would be paid from the money in this bill.

But I, in turn, will point out again the authority of the Corporation and its obligations and commitments both under the law and under its charter. We have put this language in our report and it is surplusage, but we merely wished to call to the attention of the Members conditions as they exist, and I will read:

If necessary to perform the functions, duties, obligations or commitments of the Commodity Credit Corporation, administrative personnel and others serving the Corporation shall be paid from funds on hand or from those funds received from the redemption or sale of commodities. Such funds shall also be available to meet program payments, commodity loans, or other obligations of the Corporation.

So as the matter now stands, every recipient of a \$20,000 payment or less will get it from this money. Every recipient of more than that should, under the obligations and authority of the CCC, get his money from the Corporation from assets it has on hand today, and its total assets, including cash loans outstanding and commodities it owns, amounts to around \$5.6 billion.

As I pointed out yesterday, it would result in two sets of books, and might result in buying computers and having extra personnel.

What the gentleman tried to do yesterday and what the gentleman comes in and tries to do today is to repeal other legislation by language in an appropriation bill. The gentleman got by with a ruling yesterday, and now he wants the rest of the hog. He wants to repeal outright the basic Farm Act which provides the so-called snapback language, and this differs somewhat from the interpretations of my friend, the gentleman from Illinois. This snapback provision says, on page 156 of the "Compilation of Statutes Relating to Agriculture," issued January 1, 1969, as follows:

Notwithstanding any other provision of this Act, if, as a result of limitations hereafter enacted with respect to price support under this subsection, the Secretary is unable to make available to all cooperators the full amount of price support . . . price support to cooperators shall be made available for such crop . . . at such level not less than 65 per centum nor more than 90 per centum . . .

Sixty-five percent of parity would raise the present price we guarantee on loans on cotton from 22-and-a-fraction cents to 30-some-odd cents. We can see the extra cost there.

My colleague from Illinois says that provision also says the Secretary may purchase the cotton and resell. It does provide that, but it says he must purchase at from 65 to 90 percent of parity.

I respectfully submit that this is an outright repeal of that section of the Agricultural Farm Act which Congress extended last year. As such it is all legislation; not just a little legislation on

an appropriation bill. It is fully and entirely a repeal of that part of the Agricultural Act of 1968.

For that reason I renew my point of order.

The CHAIRMAN. Does the gentleman from Illinois desire to be heard on the point of order.

Mr. FINDLEY. Very briefly, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. FINDLEY. Mr. Chairman, I really cannot insist it is not subject to a point of order, but I do take this opportunity to clarify one item.

The gentleman mentioned it authorized the Secretary to purchase and then to resell. The expression in the snap-back provision is simultaneous purchase and sale, which is a bit different from what one might ordinarily deduce from the words the gentleman used. Simultaneous purchase and sale would be the equivalent of a direct payment to the farmer involved.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman.

Mr. WHITTEN. The language says that under those circumstances the Secretary may purchase cotton at the support price and resell at a lower price, or make loans. I respectfully submit that the section merely says he may purchase at the lower level, which would be 65 percent. He can either make a loan at 30 some-odd cents or buy at 30 some-odd cents and then sell it for the world price.

The reason why the farmer is in this fix is we have him selling at a world price and paying American prices for everything he uses.

The CHAIRMAN (Mr. WRIGHT). The Chair is prepared to rule.

The gentleman from Illinois offers an amendment, and the gentleman from Mississippi makes a point of order against the amendment on the ground that it proposes legislation on an appropriation bill.

Obviously, to amend or repeal the provisions of existing law would be, in itself, legislation.

The amendment offered by the gentleman from Illinois by its terms would amend the Agricultural Act of 1949 and would repeal section 103(d)(12) of that act. Therefore, the amendment would constitute legislation on an appropriation bill; and the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 510. Positions in the agencies covered by this Act, whether financed from funds contained in this Act or from other sources, may be filled during the fiscal year 1970 without regard to the provisions of section 201 of Public Law 90-364, and such positions shall not be taken into consideration in determining number of employees under subsection (a) of that section or numbers of vacancies under subsection (b) of that section.

AMENDMENT OFFERED BY MR. EDWARDS OF CALIFORNIA

Mr. EDWARDS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWARDS of California: On page 40, after line 4, insert: "Sec. 511. None of the funds appropriated by this Act shall be used within any state or county for any program or activity subject to title VI of the Civil Rights Act of 1964 not in compliance with said title VI of the Civil Rights Act of 1964."

(Mr. EDWARDS of California asked and was given permission to revise and extend his remarks.)

Mr. EDWARDS of California. Thank you, Mr. Chairman.

I especially want to thank the chairman of the full committee and of the subcommittee for their courtesy to me and to my associates in our discussions in the past week on this subject.

Mr. Chairman, I think there is something that Mr. Justice Brandeis said back in 1928 which applies to the amendment I am offering today. Mr. Justice Brandeis said:

Crime is contagious. If the Government becomes a lawbreaker, it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy.

Title VI of the Civil Rights Act which we passed in 1964 is very specific. It says that no Federal funds shall be used in any Federal agency or any Federal program where there is racial discrimination. This title VI directs every Federal agency not to discriminate and says that they cannot have Federal funds if they so do.

Mr. Chairman, I also think every Member here knows that the Department of Agriculture for many years has been a flagrant violator of title VI of the Civil Rights Act. In 1965 the Civil Rights Commission wrote a very complete book entitled "Equal Opportunity in Farm Programs." They have not been disputed generally in their statement that there was widespread discrimination in employment and generally in program administration. I regret to say that the situation has changed little recently. On May 19, just last week, I spoke at length here in the House and included the details in the CONGRESSIONAL RECORD. The violations cited by the Attorney General and the U.S. Commission on Civil Rights include, among others:

First, widespread discrimination in 4-H Club programs;

Second, failure of the Extension Service and Farmers Home Administration to benefit the black poor in 16 Alabama Counties;

Third, the Cooperative Extension Service's racial segregation in 12 Alabama counties with Negro extension workers serving a potential caseload almost five times as great as white workers;

Fourth, the granting by the Farmers Home Administration of smaller loans to Negroes as compared to whites in the same economic status; and

Fifth, discrimination in the appointment of Negroes in the South by the Soil Conservation Service and the Agricultural Stabilization and Conservation Committee.

On March 19, 1969, the new Attorney General of the United States wrote a letter to the new Secretary of Agriculture, wherein he set forth in detail the discrimination that still exists and the violations of title VI of the 1964 Civil Rights

Act that still exist, as reported in a new staff study by the Civil Rights Commission. I placed the entire letter of the Attorney General in the RECORD on that day. I mention one sentence of this letter in particular:

Patterns of violations of title VI and the Department of Agriculture's implementing regulations persist, . . . and despite the evidence of these widespread violations of law . . . I am not aware of any meaningful action which has been taken to correct this situation.

This is the Attorney General writing to the Secretary of Agriculture.

On the same day, May 19, I wrote a letter to Secretary Hardin and asked what his plans were regarding the report of the Civil Rights Commission and this letter from the Attorney General.

I want to say, Mr. Chairman, that his response was quick, it was heartening. He gave assurance in the letter that the new Secretary of Agriculture is dedicated to the elimination of discrimination in his department.

The purpose of my amendment today which the members of the Committee have heard the Clerk read is to help him eliminate discrimination in Department of Agriculture programs.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. EDWARDS of California was allowed to proceed for 2 additional minutes.)

Mr. EDWARDS of California. Mr. Chairman, my amendment is similar to the amendment offered by our colleague (Mr. SCHERLE) last week where college funds are cut off if congressional mandates are not complied with. My amendment would cut off Federal funds where there is a violation of Federal law. Title VI is as clear as that.

Mr. Chairman, I am the first to admit that it is a restatement of the existing law because it is precisely what title VI of the Civil Rights Act provides. However, I insist it is an essential restatement and it will aid the Secretary of Agriculture in ending discrimination. It will be a tool which he can use to accomplish more easily the determination he outlined in his letter.

Mr. Chairman, I suggest to my colleagues that it is very important in these days of unrest and dissension that the Federal Government sets the example for the rest of the country and complies with its own laws duly passed.

Therefore, I urge bipartisan support of the amendment.

The CHAIRMAN. The time of the gentleman from California has again expired.

(By unanimous consent (at the request of Mr. ANDERSON of Illinois) Mr. EDWARDS of California was allowed to proceed for 3 additional minutes.)

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman from California yield at this point?

Mr. EDWARDS of California. I yield to the gentleman.

Mr. ANDERSON of Illinois. I certainly sympathize with the objective that you are trying to obtain, that Federal funds, whether they be for these programs or for any other programs, not be applied in a discriminatory manner.

However, as the gentleman began to explain his amendment he stated that Title VI is quite specific. It still is not clear to me after hearing the explanation given by the gentleman of his amendment as to why it is necessary, then, as the gentleman himself put it just a moment ago, that we have a restatement in effect of title VI.

The second question that I would address to the gentleman is this: Why is it not possible for legal action to be taken under title VI in the event that these programs are not being carried out in accordance with that title? Why do we have to restate the law?

Mr. EDWARDS of California. I believe it is important to restate the law here because my amendment precludes the use of these specific funds being appropriated in this bill for programs where there are violations of title VI.

It highlights to the Secretary of Agriculture and to the people running the agencies out in the countryside that Congress means business insofar as title VI is concerned.

Mr. ANDERSON of Illinois. If the gentleman will yield further, I am sure we mean business with regard to title VI, as I believe the gentleman in the well knows, but are we then going to be required from now on to draft a similar provision on every single appropriation bill indicating that we meant what we said back in 1964? If that is the case, I believe the better legislative procedure would be to go back and amend the Civil Rights Act of 1964 so that we do not have to repeat this belief with every single appropriation bill.

Does the gentleman agree with that?

Mr. EDWARDS of California. I do not particularly agree with my colleague, because the violations since 1964 in this particular area have been so flagrant. This is one part of the Civil Rights Act of 1964 that has not received the kind of compliance that we intended when we passed the bill. So I believe that there can be a situation once in a while where Congress reemphasizes what it meant in the original legislation.

In answer to the second question asked by the gentleman, I would say, Yes, actions can be filed, and the letter of the Secretary of Agriculture pointed out to me that he is employing and assigning additional agents, additional employees and attorneys to the enforcement areas of the Department of Agriculture. And I congratulate the Secretary in this effort.

Mr. ANDERSON of Illinois. Again, if the gentleman will yield further, let me state that I understand the objective sought by the gentleman, but to me there seems to be a further redundancy in the effort the gentleman is making, particularly in view of the assurances the gentleman says he now has from the Secretary of Agriculture, and from the Attorney General.

The CHAIRMAN. The time of the gentleman from California has again expired.

(By unanimous consent, Mr. EDWARDS of California was allowed to proceed for 1 additional minute.)

Mr. EDWARDS of California. Let me answer the gentleman by saying that the

letter of the Attorney General to the Secretary of Agriculture set forth in great detail the violations in the enforcement machinery of the Department of Agriculture.

The letter of the Secretary of Agriculture—and I shall ask unanimous consent to insert the letter in the RECORD at this point.

The CHAIRMAN. The Chair will state that the gentleman will have to obtain that permission when the Committee goes back into the House.

Mr. EDWARDS of California. Mr. Chairman, I shall ask for that permission at that time.

The answer of the Secretary of Agriculture to me was not satisfactory, and it was not really responsive to the suggestions made by the Attorney General in that it merely did two things: instead of agreeing with any of the structural suggestions that the Attorney General had set up, it gave his commitment to the enforcement of title VI, reemphasized his commitment; and, second, promised to provide additional enforcing officers.

The CHAIRMAN. The time of the gentleman from California has again expired.

(On request of Mr. LANGEN, and by unanimous consent, Mr. EDWARDS of California was allowed to proceed for 2 additional minutes.)

Mr. EDWARDS of California. I thank the gentleman for yielding the additional time.

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman.

Mr. LANGEN. Having had the occasion to view the amendment quite carefully, what puzzles me is with regard to the extent to which there might be administrative difficulties with the amendment.

While I am in complete agreement with your objective, I am wondering what the gentleman's intent is. For instance, the amendment reads that no appropriations under this act shall be used within any State or county for any program or activity subject to title VI of the Civil Rights Act of 1964 not in compliance with title VI of the Civil Rights Act of 1964.

Now let us hypothetically suppose that it is determined—and I do not know by what means it is going to be determined—that there is a violation in the State extension office, for instance.

Would this then deprive the State of extension funds for the entire State and deprive services to people in other areas of that State where possibly there are no violations, so that the public might be the big loser in service.

Mr. EDWARDS of California. The intent of my amendment is not to deprive the entire State or county of funds. It would deprive particular discriminating programs of funds, and I presume that it would be determined in the usual way by the Secretary of Agriculture.

Mr. LANGEN. Is that not what the gentleman's amendment says—that no appropriation—no funds appropriated by this act shall be used within any State?

If there were a violation in the State office, it would apply to the whole State?

Mr. EDWARDS of California. No, the reason the words "or county" were included was so that the specific objection that the gentleman raises could not be inferred.

Mr. LANGEN. Then why have that provision—"or activities within a county," when there might be a violation in only one small segment thereof?

Mr. EDWARDS of California. I presume that the discretion that the Secretary of Agriculture would enjoy would be the same kind of discretion that the Secretary of Health, Education, and Welfare enjoys when he cuts off funds for any particular function in any of the States and counties of the United States.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. O'HARA. Mr. Chairman, I ask unanimous consent that the gentleman may be permitted to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. O'HARA. Mr. Chairman, will the gentleman yield for a question?

Mr. EDWARDS of California. I yield to the gentleman from Michigan.

Mr. O'HARA. I want to make sure that I understood the gentleman from California. The gentleman by his amendment does not propose, as I understand it, that any agricultural programs not now covered by title VI of the Civil Rights Act of 1964 be covered or that any programs presently covered be removed from coverage; is that correct?

Mr. EDWARDS of California. The amendment changes in no way the jurisdiction for coverage of title VI.

Mr. O'HARA. I believe it is the gentleman's purpose, as expressed in response to the question of the gentleman from Illinois, that whether or not the amendment passes the appropriate programs of the Department of Agriculture will continue to be subject to title VI of the Civil Rights Act of 1964?

Mr. EDWARDS of California. That is the exact truth. Programs of the Department of Agriculture are still subject to the provisions of title VI of the civil rights bills. They will still be subject whether or not my amendment is approved.

Mr. O'HARA. I would agree completely with that. I think it is very important that your amendment pass to emphasize the Department's obligations but it should be made clear that a failure to agree to your amendment would in no way diminish the present coverage of title VI of the Civil Rights Act of 1964.

I thank the gentleman.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. CONYERS. Mr. Chairman, I regret that I am unable to be on the floor of the House today to join my distinguished colleague, the gentleman from California (Mr. EDWARDS), in his amendment to the agriculture appropriations bill. I support my colleague in his assertion that no funds be appropriated

for any Department of Agriculture program or activity that is unwilling to comply with title VI of the 1964 Civil Rights Act. Unless such an amendment is passed, I fear that we will continue to have major problems in the area of compliance with civil rights laws. Without a built-in measure requiring compliance through the withholding of funds wherever necessary, separate funds for civil rights enforcement will not be enough. We have passed the time when the disadvantaged and dispossessed can be appeased by good intentions; Congress must act now to fully enforce the civil rights laws which are already on the books. Again, I deeply regret that I cannot be here to support this amendment in person, but I hope that the mission of which I am a part will prove to be equally important to all Americans.

(Mr. BARRETT asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BARRETT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California (Mr. EDWARDS) which would prevent funds appropriated under this bill from being used for any Agriculture Department program or activity that is unwilling to comply with the present Federal law as set forth in title VI of the Civil Rights Act of 1964, which prohibits use of Federal funds in programs that discriminate on the basis of race, color, or creed.

This amendment is similar in form and purpose to that approved by the House during consideration of the appropriations bill funding higher education activities. The need for this amendment has been completely documented and was set forth in the CONGRESSIONAL RECORD on May 20, 1969, by the gentleman from California.

The inclusion of funds in this bill so the Agriculture Department can meet its responsibility under the Civil Rights Act of 1964, does not lessen the need for this amendment. On the contrary, it clearly indicates the awareness that there has been discrimination practiced in Agriculture Department programs and that correction is needed.

I urge the Members to support the amendment.

Mr. RYAN. Mr. Chairman, I move to strike out the last word, and rise in support of the amendment.

(Mr. RYAN asked and was given permission to revise and extend his remarks.)

Mr. RYAN. Mr. Chairman, 5 years after the enactment of the Civil Rights Act of 1964, this amendment should not be necessary.

But shocking as it may be, the Department of Agriculture has not enforced title VI of the Civil Rights Act of 1964. Therefore, the amendment presents an opportunity to serve notice on the Department that it must insure that its programs are available to all our citizens on an equal basis.

I hope the House will pass this amendment in that spirit.

Both the U.S. Commission on Civil Rights and the Attorney General have recently taken the Department of Agri-

culture to task for its failure to enforce equal opportunity in its programs.

A staff report issued by the Civil Rights Commission on hearings held last year in Montgomery, Ala., documented extensive discrimination in programs administered by the Department of Agriculture in a 16-county area. The report specifically cited six examples of programs which were being operated in a discriminatory manner:

First, Cooperative Extension Service personnel were assigned on a segregated basis, with white staff members servicing whites, and black staff members servicing only blacks;

Second, the assignment of five times as many cases to black Cooperative Extension Service staff members as to their white counterparts;

Third, widespread discrimination in 4-H Clubs in the 16-county area;

Fourth, the segregation of programs available to 4-H members, where the Commission found that blacks were predominantly being grouped in the most elementary and menial programs, while whites were receiving training in more mechanized farm skills;

Fifth, discrimination in the Farmers Home Administration, making a disproportionate amount of loan funds available to whites even though the black applicants were of approximately the same economic status; and

Sixth, discrimination by FHA in the types of loans approved, where the Civil Rights Commission found that 64 percent of the loans made to blacks were for subsistence or marginal development, whereas loans for rural housing and homeownership were available to whites.

In October of last year the Civil Rights Commission forwarded another report to the Department of Agriculture entitled "Mechanisms for Implementing and Enforcing Title VI of the Civil Rights Act of 1964." In this report the Commission made it clear to the Department that its title VI compliance program was seriously defective. It was understaffed, inadequately trained, and failed to collect meaningful racial data to be used in evaluating the effect of its programs on minorities.

Then this spring, on April 16, as the gentleman from California has pointed out, the Attorney General of the United States, in a very strong letter to the Secretary of Agriculture, pointed to persistent violations of title VI and numerous deficiencies in the enforcement of equal opportunity in the Department's programs. The Attorney General said it was imperative that the Department implement effective compliance with title VI, and he made a number of recommendations for improving the program, including the replacement of the present Office for Civil Rights in the Department of Agriculture with an expanded office for equal opportunity directly responsible to the Secretary, which would possess clear-cut authority to affect agency performance. He also recommended that racial data be collected as a basis for judging performance.

The reports of the Civil Rights Commission and the letter from the Attorney

General to the Secretary of Agriculture indicate the clear failure on the part of the Department to enforce title VI, which requires that funds not be expended for programs in which there is discrimination. The recommendations of both the Civil Rights Commission and the Attorney General, if implemented, would result in far more vigorous enforcement of title VI. Additional pressure is needed to insure that the Department accepts these recommendations and moves immediately to correct the deficiencies.

By approving the amendment, which states that none of the funds being appropriated under this bill shall be used within any State or county for any program or activity which is subject to title VI of such program or activity in that State or county is not in full compliance this House today can generate the pressure which is necessary on the Department of Agriculture.

Time and again in past years civil rights statutes enacted by the Congress have been thwarted by the failure of Federal agencies to enforce the law. Let us serve notice through this amendment that we expect those statutes to be enforced, and that we expect each and every administrative agency to take vigorous steps to insure that their programs are available on an equal opportunity basis. Let us make clear our own dissatisfaction with the failure of the Department of Agriculture to bring its programs into compliance with title VI. There is no justification for the continuing failure to enforce the law.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment. I know the feelings of the gentleman from New York and the gentleman who preceded him. I have before me the Civil Rights Act of 1964. It is a very thorough document, as many of you realize, and goes far beyond what I consider fair play. But be that as it may, if it suffers from anything, it suffers from the fact that it is so far-reaching, it does reach everything that has been described here. That general law applies to the whole United States.

The author of the amendment, the gentleman from California (Mr. EDWARDS), has said the Attorney General of the United States has stated that the Department of Agriculture must carry out the provisions in the Civil Rights Act of 1964 as amended.

The gentleman says further that the present Secretary of Agriculture has advised the gentleman, by letter, that the Secretary means to see that all employees of the Department carry out the Civil Rights Act of 1964, as amended, which would appear all the gentleman from California should want.

But let me point out, nonetheless, whatever our attitudes or feelings, the amendment that has been offered has been supported here by quoting from a 1965 report of the Civil Rights Commission. There are some I know who feel this was a strictly objective report, and there are others who, like me, feel this was an ex parte hearing and partisan hearing. But at any rate this was 4 or 5 years ago. In 1966 Congress provided a special

section on civil rights, on the enforcement of the Civil Rights Act in the Department of Agriculture. So, since 1965, the Department has had this special section set up.

Not only that, but also the letters the gentleman mentioned were sent up in the last 2 or 3 weeks, in the case of the Secretary of Agriculture.

Granted that the Civil Rights Act is applicable, and provides for hearings, and provides for remedies and it provides who shall determine, the amendment offered by the gentleman—and this will be the latest expression in civil rights—does not show me who shall determine whether anyone is in violation. We have 3,600 or 3,700 counties in the United States. As was pointed out by my colleague on this committee, the gentleman from Minnesota, if we have one little corner in a county in violation, does that mean all the people in the State will be without these programs, or even the entire State?

Another thing, this provision has to do with all the funds in this bill. My friends, there are \$80 million in here for meat inspection. Does that mean because somebody—I do not know who—says some little meat plant in one corner of a big State is in violation of the act, that we will not have a dollar in the State of New York, for instance, to carry out the meat inspection duties? What is going to happen to public health?

One of the big problems in this country has to do with protecting ourselves from the importation of diseases and injurious insects. We have provisions for inspection at ports of entry to prevent this. If somebody has not carried out fully the Civil Rights Act of 1964, then will we take away all those people, the inspectors from the ports, and then these diseases and insects can be brought in and spread throughout the United States?

The point I make, although the gentleman states, I believe he restates the law. If so he does so and in a rather dangerous way, so the money we have in this bill for protection of public health will be endangered, for instance.

I hope we may vote down this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. CONTE).

(Mr. CONTE asked and was given permission to revise and extend his remarks.)

Mr. CONTE. Mr. Chairman, I certainly do not intend to take the 5 minutes.

I understand that while I was out of the Chamber there was a colloquy in regard to the cost of the so-called Conte amendment. There was a big pow-wow or meeting. As a result of that, it was said the cotton part of the program would cost \$160 million more. Someone else who was in the same pow-wow, and who must have been smoking a different pipe, came out and said it would cost \$200 million more.

I would like to tell the House this: This is exactly the same amendment that was passed by the House last July. It will save the taxpayers \$300 million.

I just cannot understand the bleeding hearts in this House, bleeding for the

millionaire farmers and the big corporate farmers who are waxing rich and fat and some of the Congressmen who are waxing rich and fat on this subsidy program.

If the new Secretary of Agriculture does not feel this amendment is perfect, if he feels it needs perfection and it needs amendment, let him go over to the Senate side and let him perfect this amendment. We take no pride of authorship. If he wants to straighten out the amendment and make it better and make it workable, I will be glad to work with him.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I am glad to yield to the gentleman from Illinois.

Mr. PUCINSKI. Is it not correct that under the gentleman's amendment some \$2.7 billion will continue to be distributed to small farmers in terms of farm subsidies? The amendment merely deals with the \$300 million that goes to some 500 corporate farms. Is that what it is?

Mr. CONTE. That is exactly right—50 percent of the farmers receiving farm subsidies receive less than \$500 a year. This amendment certainly will not hurt the small farmer. It will hurt the big farmer, the big corporate farmer. Those are the ones I am fighting here on the floor of the House.

The 1967 figures only show that five producers got over \$1 million, for a total of \$10.9 million; 15 producers got between \$500,000 and \$1 million, for a total of \$9.5 million; 388 producers got between \$100,000 and one-half million dollars, for a total of \$64.9 million; 1,285 producers got \$50,000 to \$100,000 for a total of \$84.6 million; and 4,843 producers got between \$25,000 and \$50,000, for a total of \$161.7 million. The total received by all those receiving \$25,000 in 1967—6,736 producers—was about \$331.6 million.

I think it is high time we stopped it. I hope we will have a rollcall on this amendment. Let us put them on record and see who is interested in saving money for the taxpayers.

Mr. LANGEN. Mr. Chairman, I move to strike the requisite number of words.

I am pleased to note the gentleman who just spoke in the well did not take any pride in his amendment of yesterday. Had I been him, I would not have taken any pride, either. An amendment which applies so poorly to the problem at hand certainly can give pride to no one.

On the amendment pending before the Committee, I want to register an objection to the amendment because of the difficulties in administering its provisions. Inasmuch as the civil rights law already has provisions whereby title IV can be carried out it is unnecessary. The Secretary of Agriculture has indicated his desire to enforce the law, as contained in the Civil Rights Act.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I am glad to yield to the gentleman from Massachusetts.

Mr. CONTE. The gentleman who has the mike certainly has a short memory, because last July, on the same identical amendment which I offered, the gentleman from Minnesota voted "yea" with me.

Mr. LANGEN. I agree with the gentleman. I did so just that.

Mr. CONTE. I thank the gentleman.

Mr. LANGEN. The amendment was presented then at the right time, the right place, and in the right order. None of them existed yesterday.

Mr. WHITTEN. Mr. Chairman, may we have a vote on the pending amendment?

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. EDWARDS).

The question was taken; and on a division (demanded by Mr. EDWARDS of California) there were—ayes 45, noes 82.

Mr. EDWARDS of California. Mr. Chairman, I demand tellers. Tellers were ordered, and the Chairman appointed as tellers Mr. EDWARDS of California and Mr. WHITTEN.

The Committee again divided, and the tellers reported that there were—ayes 66, noes 91.

So the amendment was rejected.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

(Mr. MAHON asked and was given permission to revise and extend his remarks.)

OPPOSITION TO LIMITATION ON FARM PAYMENTS

Mr. MAHON. Mr. Chairman, it has been announced that a rollcall will be sought on the Conte-Findley amendment.

I would like very much to have your attention for just a few moments in regard to the problem. The matter has again been discussed by the gentleman from Massachusetts this afternoon and I would like to discuss it briefly.

I want to say that the passage of the limitation-on-payment amendment would be a victory for the Conte-Findley team. But I would insist that it would be a defeat for the Republican leadership and the Democratic leadership and for both parties, a defeat for the consumers, as well as a defeat for the farmers themselves.

Now, let me give you some of the history with reference to this matter.

Last year, Secretary Orville Freeman sent to Congress a proposal for a 4-year extension of the farm program—a 4-year extension.

This was a Democratic effort to extend the present program for a 4-year period. The other body approved a 4-year extension. The House Committee on Agriculture did not like the 4-year proposal.

Republicans in the House decided—many of them did—that if we had a 4-year extension, it would be to the disadvantage of the new administration—if a Republican President were elected. The new President might be denied the opportunity to have his own program presented early to the new Congress.

When the vote came in the House on the limitation on payments there were Members of the House on both sides of the aisle, particularly on the Republican side of the aisle, who voted for the limitation of payments, who were not necessarily in favor of the limitation on payments. As a matter of strategy they voted for the limitation on payments because they were concerned that the House conferees would go to conference with the other body, capitulate on the 1-

year program and get a 4-year bill and bring it back and then they would be outvoted on final passage. So, they made sure that the bill would come back for another vote by tying onto it the limitation on payments. This is what the true legislative situation was last year when the payment limitation was voted upon. It is not inconsistent today for any Republican or any Democrat who voted for limitations last year to vote against the Conte-Findley limitation amendment. The situation confronting us now is entirely different. The best interest of the country requires a vote against the amendment for reasons which the debate on the issue has made clear.

Mr. Chairman, the new administration has not had adequate time within which to make its presentation to Congress as to what it wants.

In arguing for the 1-year extension only, last year it was argued, "Give the new administration, Republican or Democratic, a chance to come forth with its own program." So, we had the 1-year extension.

Now, the Secretary says that he is working on alternate proposals and he expects to present those alternate proposals to the Congress for consideration in due time.

Anyone who knows anything about this House knows that without the support of the administration we are not going to pass a general farm bill and, therefore, you can have all the hearings you want by the House Committee on Agriculture, but the hearings are going to be reasonably ineffective until the Secretary has the opportunity of presenting to Congress his alternative proposals from which Congress can make its selection with desired modifications.

I hope the Secretary's recommendation will include a preferred alternative. I do not know yet, and he does not know yet what the final recommendations will be.

To vote for this amendment, which would cost more money, would bring about chaos next year. It would be unfair to the Secretary and the farmers of the country and it is just generally unreasonable and unacceptable. Rather than bring confusion into the 1970 crop program, we ought to concentrate on the development of a long-range program to take effect after next year.

So it is certainly not inconsistent for supporters of the limitation on payments to vote against the limitation amendment. Those who have favored the amendment in the past should, under present circumstances, vote against it and refuse now to cripple the farmers next year and put the Secretary of Agriculture in an untenable position. The final approval of the amendment would make less likely the final approval of a satisfactory new farm bill at a later date by this Congress.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I am happy to yield to the gentleman, and I believe that he will confirm somewhat the statements I have made about why the limitation amendment was approved by the House last year.

Mr. GERALD R. FORD. Mr. Chairman, I thank the gentleman for yielding.

On July 31, 1968, I voted with the majority of the Members of this body for the \$20,000 limitation. I am going to change my vote, and this time on the rollcall I am going to vote against the limitation. I am convinced that the limitation as proposed in the bill at the present time, if approved, and if it becomes law, will cost the taxpayers \$160 million more in fiscal year 1960. It does not make sense under those circumstances to vote for something that is going to cost the taxpayers more hard-earned tax dollars.

I would like to add this: The Secretary of Agriculture told us at a meeting with the President this morning that the Department of Agriculture will have a new farm program up to the Congress in early fall of 1969, and in that legislation they believe there can be worked into it some kind of a payment limitation that is responsible and constructive. I, therefore, am willing to give the new Secretary of Agriculture this fair opportunity. It would be far better to do it in a legislative way rather than on the appropriation bill today.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. MAHON was allowed to proceed for 1 additional minute.)

Mr. MAHON. Mr. Chairman, I cannot see anything illogical about the position of the gentleman from Michigan. It seems perfectly fair and proper that all of us wait until the new Secretary and the Congress have had a chance to work our will. The payment situation will be altered after next year, regardless of what we do. With all the dissent and confusion and frustration among the farmers of the country, to tie this further burden on their backs and jeopardize the consumers at the same time is indefensible.

Summing up, if the Conte-Findley limitation becomes the law we would have one farm program for the 1969 crop, another farm program for the 1970 crop, and still another farm program for the 1971 crop. This would be intolerable.

I hope that when the rollcall comes that, regardless of our views on the long-range farm program, we will give the new administration and the farmers a fair deal, as well as the consumers, in our vote.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. MADDEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was very much interested in the remarks of my good friend, the chairman of the Committee on Agriculture, but I remember last June and July that we spent about 2 days here going through this same procedure, and we won a great victory. The Members of this Congress voted by a majority of almost 70 to limit the subsidy payments to \$20,000 a year to every farm operation.

My good chairman mentioned that Secretary Freeman recommended 4 years of this bonanza, this \$3.5 billion bonanza. Well, where is Secretary Freeman

now? Evidently the voters last November did not think much of this \$3.5 billion subsidy continuing for another 4 years.

But very briefly I want to say this: I do not know if history repeats itself, but maybe we wasted time and energy here yesterday and today. Last year we voted by a majority of 70 for a \$20,000 limit annual rural payment, and if the other body supported this limitation we would have saved, I believe, about \$2.5 billion annual for the taxpayers of this country.

But you all know what happened. We went through 2 days of work and oratory and voting for naught—because it went over to the Senate and something happened. In order to prevent that from happening again, I have written a letter today to my good friend, the Senate majority leader, Senator MIKE MANSFIELD, and I will read this letter for the information of my colleagues:

MAY 27, 1969.

Senator MIKE MANSFIELD,
Senate Majority Leader,
U.S. Senate,
Washington, D.C.

DEAR MR. MAJORITY LEADER: In the last session of Congress the House of Representatives considered the agricultural farm subsidy bill which involved approximately \$3½ billion dollars annual appropriation. After extended debate, the House, in a recorded vote of 230 to 160, placed a ceiling upon any agriculture subsidy payments to any one farm operation in the sum of \$20,000. The House also reduced the Agriculture Committee's request of a four-year extension of this subsidy to a one-year extension.

The legislation was then considered by the Senate and the \$20,000 limitation was rejected and a four-year extension of the subsidy was adopted. The Senate bill was returned and the House accepted the Senate abolishment of the \$20,000 limitation but reduced the four-year extension to one year.

On yesterday, after extended debate, the House again, by teller vote, restricted this rural subsidy to a \$20,000 limitation to any one farm operation. This legislation will no doubt be considered by your legislative body in a short time.

According to the news media certain Members of the Senate supported and voted for this legislation who either individually or through their families have been recipients of Government payments on this rural subsidy. The purpose of my letter is I hope that you as Majority Leader will request the Members of the other body who have direct or indirect financial benefit from this subsidy to refrain from supporting or voting on this legislation either in Committee or on the Floor of the Senate. I have not heard of any Members of the House voting pro or con on this legislation who personally, or their families, have had a direct or indirect interest in this subsidy.

I do think that the highest ethics should maintain in both of our National legislative bodies. Some Senators, according to the news media are insisting on the highest of ethics and the elimination of conflict of interest by our United States Supreme Court Members and same should apply to all departments of our Federal Government.

With kindest personal regards, I am
Sincerely yours,

RAY J. MADDEN,
Member of Congress.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman.

Mr. CONTE. I want to make a similar observation. The amendment I offered on the last agriculture bill in 1968 passed the House by a vote of 230 to 160. It went over to the other body and the amendment was knocked out. Then it went to conference and by an unusual procedure, the same people who are bucking us today allowed the other body to take the papers. That is a very unusual procedure. Usually the papers came back to the House. But they allowed the other body to take the papers.

They voted against it. So we did not have an opportunity to vote again on the amendment that was adopted by the House—it was either voting the bill up or down.

Mr. DENNEY. Mr. Chairman, I oppose the Findley-Conte amendment. I do not oppose a ceiling on farm payments. I simply feel that this proposal, as brought out on the floor today, requires more time to study and that it should be coordinated with the Department of Agriculture. Furthermore, I am not convinced that the Findley amendment is economically feasible. Although the gentleman from Illinois (Mr. FINDLEY) has introduced figures into the RECORD showing that the limitation of subsidies at \$20,000 would save the Federal Government about \$518 million, if the 1965 Agriculture Act is not extended and a new act is not enacted by this Congress, there will be a snapback to a section of a previous act. This section provides that the Secretary shall establish the support price for cotton between 65 percent and 90 percent of parity. It is quite possible that savings under the Findley amendment would be offset in a couple of years by a growing deficit of the Commodity Credit Corporation. About 80 percent of the farmers effected would be cotton growers.

The snapback provisions would require support prices for cotton supplement between 65 percent and 90 percent of parity, thereby taking money from the Agriculture Department budget that could help the small farmer. Therefore, it is my position that a vote in favor of this amendment at this time would be a vote that could seriously harm the small farmers in the Midwest.

Advocates of the amendment have indicated that it would save up to \$300 million. This estimate was made by former Under Secretary of Agriculture John Schnittker. The Schnittker statement assumes that the limitations would be completely effective and that there would be no evasion. The Schnittker statement ignores the fact that there is, on the books, a snapback arrangement for cotton that would completely negate the intent of the amendment.

The Department of Agriculture now estimates, because of dividing farms, that limitations on payment might result in savings as small as \$25 million. The Department also estimates that the buy-and-sell-back arrangement into which they would be thrown if we pass this amendment would add \$160 million in program costs. Much of the added cost would come from greater benefits to large cotton growers, rather than less. The amendment is not merely ineffective so

far as payment limitations are concerned, it triggers a program that would greatly increase costs.

So, instead of saving \$300 million, this amendment would cost \$160 million. This would make a total error in the neighborhood of half a billion dollars. I give this very potent argument against legislating on an appropriations bill—that we might, here on the floor, make an error totaling half a billion dollars without having had the advantage of any analysis, and without having had a single committee hearing.

Mr. GOODLING. Mr. Chairman, I rise to object to the amendment establishing a \$20,000 limitation on the aggregate direct payments any single farmer can get under cotton, feed grains, wheat, and wool.

This amendment would have a profound effect on the supply-management aspects of our agricultural program; hence, I—as a member of the House Committee on Agriculture—feel that the impact of such an amendment should be thoroughly evaluated and measured before it is accepted. Such an appraisal cannot properly be made here and at this time but should be effected through the regular committee process.

Another bad feature of this amendment is that it will have the effect of glutting our agricultural markets by evicting large producers from the farm program. These large operators will not go out of farming but will, instead, change their direction and broaden the base of their farm operations, increasing their production to reduce unit cost of production. The result will be depressed farm prices that will have a devastating effect on the small farmer who, by his nature, has neither the capital nor the equipment to engage in large-scale production and to compete with the large operator.

If this amendment becomes effective, many cotton farmers will leave the present program, and ultimately the Secretary of Agriculture could be required to establish a cotton loan support price somewhere between 65 percent and 90 percent of parity. Under this arrangement the cotton price could snap back from the present 21 cents per pound to 31½ cents per pound—this higher payment would be made on 100 percent of the producer's cotton production, whereas the present payments are on only 65 percent of his allotment.

In addition to those deficits, the costs of administering the farm program resulting from this amendment would be excessive, inviting a loss rather than a saving.

Mr. Chairman, this amendment is not sound.

Mrs. HANSEN of Washington. Mr. Chairman, there has been a great deal of discussion on the limitation of "subsidy" payments. Today I received a self-explanatory telegram from Bert L. Cole, commissioner of public lands for the State of Washington, which says:

We oppose any legislation which would limit the wheat certificates that the State of Washington, as a single producer, could receive for its State-owned school and institutional land.

Any restrictions or limit on the amount of certificate payment that the State of Washington can receive from lands granted the State for the support of our educational system will impose an unrealistic and inequitable ceiling. The State of Washington, as a lessor, has 478 individual leases on which cereal grains are produced. The land in each of these leases represents a part of each lessee's operating farm unit.

In fiscal year 1968 the State of Washington, on its cereal grain leases of trust lands, received \$208,398.12 from certificate payments which will help finance our public schools. Payments for State-owned land to the State average \$435 per lease and \$1,305 per lease to the lessee with a maximum payment of less than \$5,000 to any one lessee for State-owned land. The beneficiaries of income from our State school land—our school children—total over 70,000.

If a \$20,000 limit is placed in each producer, the State would have to consider removing its 130,000 acres of cereal grain producing land from cooperation with the Federal program. Any change or restriction to limit the certificate payments will not only be detrimental to our school financing, but could be damaging to over 478 lessees.

An alternative that would relieve the specific problem threatened on State-owned granted land here in Washington would be for the law to stipulate that a "State" will be considered a "producer" on each individual lease rather than a single "producer" for all State-leased land combined.

BERT L. COLE,
Commissioner of Public Lands.

As a consequence and until the statutory provisions have been changed to exempt State-owned lands I cannot vote to curtail the schools of my State by \$208,389.12, particularly in view of the long legislative struggle in my State to find adequate revenues for financing education.

This is one of the difficulties of trying to amend authorization statutes and to legislate on an appropriation bill.

Mr. REID of New York. Mr. Chairman, although I am voting for passage of H.R. 11612, I want to make it clear that my support of the measure stems from support of the \$1.5 billion which the bill provides for food programs for the coming year. As my colleagues know, I do not support the farm subsidy program and have voted against agricultural appropriations in the past for that reason. However, it is imperative that we provide adequate funds to support food distribution programs to feed the hungry people of this Nation, and passage of this bill is vital if we are to achieve that goal.

Mr. EILBERG. Mr. Chairman, I rise today to express my alarm at the proposal of the Nixon administration, included in the bill now under consideration, which would eliminate the special milk program as we have known it since 1954. As you all know, the bill calls for no appropriations as such for this program and includes a pittance for a milk program designed to increase the consumption of milk by needy youngsters.

On May 6 of this year, as you all no doubt recall, we acted on a bill which provided an appropriations authorization for this program in the amount of 125 million for the 1970 fiscal year. The record vote on this bill was overwhelming 382 to 2. When this legislation was considered, two amendments were defeated which had as their intent that this pro-

gram should be redirected to provide milk only for those needy schoolchildren in the Nation and ignore the middle income children who are participating in this program now and who have been since 1954. I believe the record of congressional intent on this matter is quite clear; we want the special milk program continued as it has been operating.

The special milk program was designed to increase the consumption of fluid whole milk by the children of America. To achieve this end, the appropriations for the program which we have provided each year have been used by the Department to give the States and, through them each school participating in the program, a reimbursement rate of from 3 to 4 cents per half-pint of milk served. Figures which I have received from the department indicate that about 3 billion half-pints a year are consumed under the program. This means that about 24 to 26 million children are now receiving the benefits of the program. In Philadelphia, about 48,000 half-pints a day are served under the program at prices to the students which, because of the program, are from 3 to 4 cents below what the children would pay without the program. Needy youngsters receive their milk free.

When we passed the legislation earlier this month which authorized \$125 million for this program for an indefinite period of years, we were cognizant of the Nixon administration's desire to redirect the program so that its benefits would no longer be available to the children of middle-income taxpayers across the country. I was a cosponsor of that legislation and I urge all my colleagues to act today to provide the appropriations for the program which we authorized. The milk program provides one of the few instances in which the middle income tax payer, who is really having a tough time making ends meet, gets some assistance from his Government. Without these appropriations, children from these families will have to pay at least 3 or 4 cents more for their milk. Thus, many will no longer be able to afford a daily milk break.

In Philadelphia, participation in the milk program is offered to children in almost all public and nonprofit schools in the city. This is not the case for the school lunch, school breakfast, and other child feeding programs. Where there is a lunch program in city schools, the participation rate among children is woeful. In fact I think it is disgraceful. Do you realize that the city of Philadelphia has less than 20,000 children eating lunch under this program each school day? The Department of Agriculture tells me that in schools which have the lunch program, the participation rate is around 50 percent of the enrolled children. All I can say is that, if this figure is correct, the city of Philadelphia must have been left out of the survey which arrived at the figure. Information which the Department provided me indicates that overall, the participation rate in the program for public and nonprofit private schools in the city is only about 8 percent—that is right, 8 percent.

The Department also tells me that they have a program called Operation

Metropolitan which is designed to increase the number of schools which have the lunch program in large cities. They tell me also that this Operation Metropolitan is designed to increase the participation rate in big-city schools. Well, offhand I can tell you that, either Philadelphia has not heard about the program, or the Department has not heard about the problems that the city is having with the lunch program. There seems to be an extreme lack of initiative and cooperation on the part of the Department in helping the city program get on its feet.

I yield to no one in my support for programs which are designed to aid the needy of this Nation. My record of concern for the needy is deep-rooted. However, I do not think that we ought to take the availability of low-priced milk away from the child whose parents earn from \$6,000 to \$7,000 a year. These parents are already having a tough enough time providing for their family without us taking milk away from their children by redirecting the milk program so that they are priced out because the Government no longer is interested in increasing the nutritional well-being of all schoolchildren through the program but now is saying in essence, we don't care about the middle income taxpayer of this Nation who is supporting his Government by paying exorbitant taxes while many of the wealthy get off tax free through loopholes in the tax structure. I believe, and I am sure you will all agree, that the middle income taxpayers of America are in revolt. Certainly my constituents are up in arms about the amount of taxes they have to pay and the lack of return they are getting on their money. The special milk program in the past has provided these taxpayers with some tangible assurance that the Government does care about them. It has told them that the Government cares not only about the nutritional well-being of the poor child but also about their children.

I remind the Members that in 1966, there was an attempt to redirect the special milk program similar to but not on as large a scale as that attempted by the bill which we are now considering. At that time the Congress acted and told the administration that we wanted the program continued as it was. I urge all my colleagues to repeat this order today by restoring the funds for this program in the amount which they so overwhelmingly supported earlier this month when we authorized expenditures for the program of \$125 million for the 1970 fiscal year.

Mr. WILLIAM D. FORD. Mr. Chairman, in the 90th Congress the House, by a record vote of 230 to 160, accepted a limitation of \$20,000 per year on the aggregate direct payments any single farmer could receive under ASCA programs for cotton, field grains, wheat, and wool. That provision was dropped in conference.

With consideration of the agriculture appropriation bill in this Congress we are once again presented with an opportunity to put some controls on the unmanageable giveaway aspect of Federal farm programs. A glance at recent figures shows that we are subsidizing million-

aire farmers with Government funds. In 1968 one company received a total payment of \$3,010,042. Other companies received payments of \$2,772,187; \$1,177,320; \$786,459, and \$745,647. Dozens of others received subsidies in hundreds of thousands of dollars. Payments of over \$15,000 went to 16,430 persons and totaled \$518,506,663.

This farm program as now carried out bears no relationship to earlier programs which were designed to meet the pressing problems of the family farmer. Furthermore, to be extending a program that pays out well over \$3 billion in farm subsidies and benefits large corporate land holders at this time can be construed as a serious breach of faith with the American taxpayer. These taxpayers have recently been told that the surtax must be extended and that a much needed increase in social security benefits should be delayed.

We should apply the same scrutiny to our farm programs that we are applying to our tax structure. The payment of over a million dollars to one farmowner is just as unreasonable as allowing 22 Americans who had incomes of over \$1 million to pay no tax at all in 1967.

The Schnittker study inserted in the CONGRESSIONAL RECORD at pages H3295 to H3264 by the gentleman from Illinois (Mr. FINDLEY) undercuts much of the argument in favor of these large payments. Mr. John A. Schnittker, then Under Secretary of Agriculture, concludes in this survey:

Payments to producers under existing price support and acreage control programs for feed grains, wheat, cotton, wool, and sugar could be limited to around \$20,000 per farm for all payments, or to \$10,000 per program without serious adverse effects on production or on the effectiveness of production adjustment programs.

Budget savings ranging from \$200 to nearly \$300 million could be made with limits at levels examined here if the law could be administered firmly.

None of the administrative problems are decisive . . . and they are not good reasons for opposing payments limits.

Mr. FINDLEY has also brought our attention to a recent Louisiana State study of soybeans-cotton competition which shows cotton to be more profitable than soybeans, even without payments. This means that we are spending billions of taxpayers' dollars to encourage farmers to cooperate with a sound farm policy when they probably would do so in any case.

This type of boondoggle is absurd and I do not think that the American taxpayer is going to stand still for it. It is an insult to the average taxpayer's intelligence to ask him to pull in the belt of fiscal restraint, to extend the surtax, to cut desperately needed manpower training programs, to live on social security payments that dwindle in purchasing power every time the newest cost of living and consumer price indexes come out and then to turn around and allow this kind of subsidy to huge corporate farms to exist.

I oppose passage of this appropriation for the present farm subsidy program without some control on the dollar limit of payments. I do not do so unmindful of the pressing needs of our American family farmer.

Many of us recognize that the problems of the great population centers are worsened each day by the tremendous migration of people from the farms to the cities. I believe we must use the resources of the Federal Government to strengthen and protect the legitimate economic interests of the Americans who live and work in agriculture. However, I do not believe the present programs are doing this. The present programs are, as a matter of fact, driving the families from the farms and replacing them with absentee corporate landholders who provide neither employment nor farm products in return for the expenditure of billions of dollars in Federal funds.

Mr. BINGHAM. Mr. Chairman, there is no doubt in my mind that hundreds of thousands of tax dollars are wastefully spent each year under the farm subsidy program. I do not feel that large landholders should reap excessive benefits from this program, which is designed primarily to limit the supply of various farm commodities so as to maintain desired price levels and stability. The evidence presented over the past 2 years by the gentleman from Illinois (Mr. FINDLEY) and other Members indicates that some individuals and institutions are obtaining excessive payoffs, and that situation should be corrected.

To limit subsidy payments to a flat \$20,000, however, as the amendment offered by the gentleman from Massachusetts (Mr. CONTE) proposes, would practically eliminate incentives for large landholders to limit production, leaving them with little alternative but to produce as much as they can. The result would almost certainly be an oversupply in many agricultural markets, destroying the very purpose and effectiveness of the subsidy program.

With this in mind, I voted "no" last year on an amendment to the Food and Agriculture Act to limit subsidy payments to \$20,000 offered by the gentleman from Illinois (Mr. FINDLEY).

What needs to be done instead is to cut back the subsidy payments received by large landholders as much as possible short of significantly reducing their willingness to limit production and participate in the program. A carefully graduated schedule of reduced payments to landholders eligible for over \$20,000 in subsidies under the current program, it seems to me, would end excessive profiteering by large landholders, but at the same time retain their participation in the subsidy program and thereby insure its continued effectiveness. Such a proposal was offered yesterday by the gentleman from Minnesota (Mr. NELSEN). Were the Members of the House asked to record their votes on a proposal for graduated reductions of subsidy payments above \$20,000 such as the Nelsen proposal, I would most assuredly vote for it.

I have serious doubts about the entire farm subsidy program. Whether the program should be continued even for another year should be voted up or down in total on the merits, rather than destroying the effectiveness of the program by a seemingly attractive amendment that does not really confront the basic issue.

I am prepared to support continuation of the program for an additional year. I cannot, however, support its continuation in a hobbled form, and I will therefore vote "no" on the Conte amendment.

Mr. JONES of Alabama. Mr. Chairman, I want to express my very strong opposition to any artificial limit on farm payments. The proposal to limit farm program payments is based on total misconceptions of the program and has its support in an appeal to emotionalism unrelated to facts or logic.

Farm program payments are not relief, not welfare, not something for nothing. In each case the farmer who receives the payments agrees to participate in a program of national interest. In the program he agrees to limit his production and divert some of his land resources into soil-conserving crops.

The farmer earns the payment he receives by the value of what he puts into the program. The farmer who diverts 100 acres of his land is certainly entitled to a greater payment than the farmer who diverts 10 acres.

The sizable diversions of the large producers are what makes the program work, what keeps the production within a manageable quantity.

Farms of today are becoming larger, more efficient units of production. At the same time, the farmers' investment continues to grow. The average capital investment per farmworker is about \$41,300. This is nearly twice the average investment of \$21,900 per industrial worker in our country.

Farmers, whether large or small, have great investments of capital resources in their farms. The emotional opposition to the farm program payments shows a misunderstanding of the nature of farming today and a fundamental misconception of the purpose of farm program payments. The basic objective of the program is to bring supply generally toward a balance with demand. This is, of course, an ideal, and in practice any errors are plotted on the side of overproduction rather than underproduction.

Rather than have the Government buy large excesses of farm goods after the expenses of production have been added to the production, the policy calls for reduced payment before production and retirement or diversion of land which would have been devoted to unneeded production.

This program strengthens farm prices, limits the cost of the objective to the government and prevents waste of resources in surplus production.

It is the small producer who benefits from the program to a far greater degree than the large producer. If the payments are limited, the large producer will withdraw from the diversion programs and scale his production to the most economically beneficial level.

The result will be overproductions and market instabilities which most large producers can handle but which will mean financial disaster to small producers and to the general economy.

Another misconception of the program is that the payments represent a profit to the person receiving it. To the contrary, the payments are far less than would

be received if the farmer had engaged in production. If the payments represented a profit, large producers would seek to retire a maximum amount of acreage. Instead, most farmers retire only the acreage required for participation in the program.

Through the skills of farmers and the improved techniques devised in cooperation with Government and other segments of the economy, production of farm goods seems bountiful at this time. We must not be complacent about this production to the extent that the effort of farmers is rewarded at less than deserving rates.

In consideration of the talents, effort, and capital investment, it is my opinion that neither small producers, medium producers, nor large producers receive large enough returns. A limitation on farm program payments will force large farmers out of the farm program. The results will be immediate and disastrous for our farm policies and for our agricultural economy.

I strongly oppose any limitation on farm program payments.

Mr. ECKHARDT. Mr. Chairman, I do not believe I have any farmers in my district affected in one way or another by the amendment limiting farm payments to \$20,000. I know I have no farmers whose payments exceed \$25,000. So I can approach this problem with objectivity.

In discussing the amendment limiting payments to \$20,000, the historical goals and the accomplishments of our farm program are relevant.

Of course, price support has been designed to stabilize prices and restrict production, objectives that are closely intertwined. Because we have an economy in which we do not direct businessmen or farmers to follow one occupation or another, to produce this crop or that crop, we have had to devise monetary incentives to prevent overproduction in agriculture.

That our general program has worked is illustrated by the fact that the United States produces vastly more agricultural products, and does it more efficiently, than the Soviet Union, which nation can plan and administer its agricultural program directly.

We treat farmers differently from industrialists because of the unique nature of agriculture. After the farmer harvests his crops, he is at the mercy of the market. His product must be sold immediately; he seldom has collective bargaining strength when he faces the buyer; and he must often accept what is offered. He is typically the smallest operator in the whole chain of food production and marketing, and he is usually dealing with much larger and more powerful elements in this chain.

If there is an overproduction of a commodity the farmer in the free market has no choice but to take a reduced price for his work. Since the farmer can never predict precisely what his acreage will yield, it is not uncommon for such surpluses to exist.

The price support program was enacted to somewhat equalize his bargaining situation with the buyer—to prevent

a glut. The money we pay for price supports tends to make production more efficient, and this is to the advantage of the consumer.

Nevertheless, there are abuses. The price support program should be overhauled. The equitable thing is to scale down large support payments, as was attempted in the Nelsen amendment. The reason for this is that there are about 10,000 very large farmers who received \$20,000 or more in price supports. Because they are big, they are better able to ride out a bad year, and they are not so much at the mercy of the market as are the small farmers.

But they should not be forced to operate in the free market rather to participate in acreage controls. If there are no incentives for them to participate, knowing that the price of the product is precarious, the large farmers would produce in great quantity. Consequently, the price would drop. Of course, those participating in the program would be protected for a time, but in time the farm program would disintegrate. I want reform in the agricultural program, but I do not want chaos, and we should tread carefully to avoid jeopardizing a program which has, after all, got the job done more efficiently than in any other large country. True, the agricultural economy has changed, but it has not changed enough so that drastic, insensitive changes are justified. It is also true that the Committee on Agriculture should release a bill that would permit extensive reforms. They could include something in the nature of the Nelsen amendment. But such reforms cannot be accomplished here on an appropriations bill.

The Conte-Findley amendment illustrates this fact. Actually, it would not reduce the aggregate of agricultural payments at all. Indeed, it would increase it.

This is because a limitation with respect to price support automatically puts into effect a snapback provision with respect to the legislation affecting cotton. If this snapback provision were put into effect, such would increase expenditures for the upland cotton program from \$1,116,000,000 to \$1,283,000,000 for the 1970 crop, according to the Department of Agriculture's estimate. This is a net increase and takes into account any reductions in expenditures which would result from the proposed \$20,000 payment limitation. Thus, the Conte-Findley amendment would actually cost the taxpayers more money than would be the situation if it were not passed.

The snapback provision is contained in section 103(d) (12) of the Agricultural Act of 1949, as amended. Briefly and generally stated, this provision says that if a payment limitation is enacted which prevents cotton producers from receiving the full amount of price support to which they would otherwise be entitled, price support for cotton reverts to loans or purchases so that the payment limitation is not applicable. The section reads, in part:

Such price support may be carried out through the simultaneous purchase of cotton at the support price therefor and resale at a lower price or through loans under which the cotton would be redeemable by payment of a price therefor lower than the amount of the loan thereon.

The section further provides:

Such resale or redemption price shall be such as the Secretary determines will provide orderly marketing of cotton during the harvest season and will retain an adequate share of the world market for cotton produced in the United States.

If marketing quotas have not been disapproved, the supports are "through loans or purchases at a level not less than 65 per centum nor more than 90 per centum of the parity price of the cotton as the Secretary determines appropriate."

The Department of Agriculture recognized this problem, and in a statement made available to the House yesterday Secretary Hardin pointed out:

With only the simple amendment that is possible in connection with appropriation bills, the so-called "snap-back" provision for cotton would come into effect. The cotton program would then become subject to a loan-and-redemption or a buy-and-sell-back arrangement that would increase costs while the large producers would escape the intent of the payment limitation.

These are the reasons why I am opposed to the Conte-Findley amendment. Perhaps its passage would indicate such a determination on the part of the House to reexamine the entire farm program that it would have a salutary result. But I cannot bring myself to vote for an amendment which would, itself, have no salutary result, and which might seriously jeopardize the entire price support program. A reexamination of the entire farm program should be done in an atmosphere that allows us to retain the fundamental goals of our agricultural policy.

Mr. PICKLE. Mr. Chairman, I wish to supplement my remarks of yesterday in regard to the amendment which provides a pay limitation for farmers who cooperate on farm programs. The main issue is described as limitations on farm payments but this is not the real issue. The real issue is, Should we have farm programs?

If payment limitations are prescribed then farm programs will be destroyed because a limit on Government payments would strike at the very heart of the farm program.

Many people have some notion that a limitation on payments in these programs would somehow eliminate hunger and poverty in the ghetto.

I believe that knowledgeable people generally agree that farm programs are necessary in the public interest. There seems to be general recognition by both Democratic and Republican administrations that farm programs are necessary because farmers have the ability to out-produce the market and if they are not able somehow to adjust their production, they and the whole economy are in serious trouble. Obviously the 3 million farmers acting individually cannot do much about the total supply. If the farmer takes the lead in cutting his own production and overall production stays high, he ends up taking a low price for a small crop. Farm payments allow individual farmers to work with his neighbors and his government in adjusting production to expected demands and in assuring an adequate supply of food and fiber.

We know that farm income is not on a par with nonfarm income and that

more and more farmers are leaving the farm each year. If a limit is put on farm payments, how then can we improve farm income? If we drive more farmers off the farm by reducing their now inadequate income, are we not in effect cutting off our noses to spite our faces? If the backbone of agriculture is broken, the net result would be more people in ghettos, more poverty, more crowding of the city slums. The net result could be, in the long run, we who have never known what it is to have an inadequate supply of food could find ourselves short of food. If this should result, consumers would pay exorbitant prices for such food.

I object to the proposal for limiting farm payments for many reasons.

First. Limitations on payments would be virtually impossible to administer. The people who direct the programs in Washington hold to this view. Think for a minute how you would administer a payment limitation where there is a joint or multiple operation of a farm. How would various leasing and rental be treated under payment limitation? What about the farm that suddenly becomes two or more under ownership of two or more family members? These kinds of questions and many others would arise.

Second. A limitation of farm payments of the type recommended is not only unworkable, it is basically unfair. It is discriminatory and class legislation of the first degree. Constitutional issues may be involved. Contrary to what some may say, payment limitations would cause a switch away from commodities on which payments were being made to other commodities such as soybeans and other crops as well as production of beef and hogs. This could be very destructive of the agricultural economy.

Third. The limitation would not save money. The programs would become more expensive to operate. With the limitation in effect, many farmers would no longer participate in voluntary programs and would increase their production. They might not be eligible for price support and their production would flood the market. There would be a build-up of Government stocks of agricultural commodities resulting in great program expenditures. Furthermore, the provisions of the 1965 Food and Agriculture Act, under section 402, provide that in the case of cotton, that if a limitation is imposed that the Secretary of Agriculture must support the price of cotton at not less than 65 percent nor more than 90 percent of the parity price. This provision further provides that the Secretary may purchase the cotton at the guaranteed price support level and resell the cotton to the producers at a lower price, presumably the world market price. Adoption of a limitation on payments would put this provision into operation and instead of saving money would increase the cost of the program by an estimated amount of \$160 million.

Fourth. Small farms would be seriously hurt by a payment limitation because of the downward pressure on prices. They would become more dependent on the loan program to maintain the support price, and if only the little farmers got into the program they could give up all of their production and still not solve the surplus problem.

In the interest of the farmer and the general public, the proposed limitation amendment should be defeated.

Mr. COHELAN. Mr. Chairman, I have carefully weighed the arguments made during the consideration of this bill.

I have been impressed by the committee's concern for the alleviation of hunger. I have been impressed too with its concern for conservation of soil and water and in the control of pesticides.

But I have been disturbed too by the enormous sums which this bill provides for farm price support. In my judgment, the size of these sums is out of all proportion with their social utility, and indicates the failure of our present farm programs.

There are a good many "sacred cows" in this Agriculture budget. I for one will again withhold support of this bill until these sacrosanct accounts are more thoroughly examined and justified to the public.

This bill provides the staggering sum of \$4,965,934,000 for capital replenishment of the Commodity Credit Corporation. This sum represents money which has been lost by the Corporation because it has supported commodity prices above the open market price.

This enormous sum, nearly \$5 billion, is three times what we will appropriate for the operations of the Office of Economic Opportunity.

It is five times what we will spend for model cities and urban renewal.

It is five times what we will spend for manpower training.

It is several times what we will provide in Federal support for public education.

The question, among other obvious things, is whether in view of the demands for funds for education, job training, housing, and antipoverty efforts, we should be spending this enormous sum on farm price supports. I think not.

This bill also makes available \$1,261,000,000 under the food-for-peace program. This is approximately equal to the entire foreign aid appropriation for this fiscal year. As a member of the Appropriations Foreign Operations Subcommittee, I know the value and need for foreign assistance. But I question whether the United States might not be better able to aid in the development of foreign countries if we were to increase our technical assistance and outright cash grants, rather than by spending more than a billion dollars a year to help support farm prices and incidentally, to distribute some food overseas. I for one think we might increase the benefits of our foreign assistance if we made a larger allocation of foreign aid and a smaller allocation of foreign food shipments. In any event, the question quite clearly deserves further critical examination.

In sum, the nearly \$5 billion in CCC capital replenishment and the \$1 billion for Public Law 480, combine to make the Agriculture budget the largest disguised income transfer program operated by the Government. There must be a less expensive and more efficient way to both help transfer income to needy farmers and to maintain a stable agricultural production base.

We need a new farm policy. We need to move closer to the market. I urge a no vote on this bill.

Mr. HALL. Mr. Chairman, on two previous occasions, in the 89th and 90th Congresses, I have introduced new-type and well-researched comprehensive farm legislation aimed at soil and water restoration, and the incentive to accomplish both. At a later date I plan to reintroduce my farm bill, which I am now in the process of perfecting and updating.

I mention this today, because the debate on the farm appropriation the past 2 days has indicated that many of the Members realize that farm legislation needs a new direction and new ideas. Let me state briefly what my bill will contain:

First. It will remove the huge subsidies paid to the large farms. It is the small family farmer on marginal land who is in trouble today, and being "forced to wall," from the farms, and to the cities ghettos. My bill would have the feature of preserving the family farm by making the subsidies more beneficial to those with the greatest need. The subsidies would be directed to restoring soil and water, not idling acres.

Second. Farmers should be offered a second market, that is they should have the right to put a percentage of their cropland to the production of a suitable cover crop—plowed under to enrich and restore the soil while preventing waste of water—with the Government paying a fair price per dry weight ton, or sell to the consumer market, the food and fiber or seeds he would grow.

Third. The farmer would be able to set aside a designated number of acres to receive continued attention, instead of being shunted to the side, without the capacity to produce in case of an emergency. The Nation would in this way be assured a permanent and ready potential.

Fourth. The emphasis of my farm legislation would be to reward the farmer for the scientific use and development of his own resources, in place of a payment for so many bushels produced. This would surely avoid the "bugaboo" of surpluses. The farmer would once again be invited to share in the "free enterprise" system, which has been proved to be the best way, and without doubt, the most exciting way.

Fifth. Thorough samplings with no slanted questions reveal the easy and voluntary placing of over 60 million acres in this program. It is equally applicable to all types of farming—wheat, dairying and livestock, feed grains, row crops, and so forth—and should get the combined and mutual agreement of all farm organizations.

Recently one of this country's outstanding farmers and my very good friend, Gene Poirot, of the Seventh Missouri Farm Advisory Council, whose farm is near Golden City, Mo., was honored by the Missouri chapter of Gamma Sigma Delta, the honor society of agriculture. In the program notes for this important occasion was a section entitled "The Importance of Agriculture." This statement

is so well founded and succinct, that I would like to make it a part of the Record at this time:

IMPORTANCE OF AGRICULTURE

The importance of agriculture is apparent to all those engaged in scientific and technical phases of this basic industry. But in many nations, people have not always held agriculture in high regard. The neglect of the soil, water, plant, mineral, and animal resources—has contributed to the fall of civilization and the pauperization of their people. The consequences of this neglect are plaguing many regions and nations today.

During the last few years, the percentage of our nation's young people taking advantage of higher education has increased greatly. Unfortunately this increase has not been as great among our rural youth. The vast and increasing opportunities existent in our rapidly expanding agricultural industry have not been well enough understood.

The image of agriculture in America is archaic—it must be changed. The all-too-prevalent views of agriculture as a peasant-type way of life must be supplanted, and quickly. More and better ways must be devised for putting glamour into this great and basic American industry. Only thus can agriculture compete successfully for young leadership in this jet age of astronauts and interplanetary missiles. Members of Gamma Sigma Delta have an unprecedented opportunity and challenge to interpret the exciting future of agriculture to our brightest young people, both urban and rural.

Agriculture must keep pace with industry in the United States in all respects. To provide for the Nation's welfare and to meet the increasing food and textile requirements of an expanding population. No group of scientists, students or technicians has a more important task than those in agriculture. Gamma Sigma Delta has a place in keeping the Nation conscious of the importance of agriculture. As this group grows in strength, its beneficial influence increases accordingly. Those honored by Gamma Sigma Delta by election to membership are destined to lead in this advance on some front. Their election is more than an honor: it is a challenge that they do so.

Mr. WHITTEN. Mr. Chairman, since the Treasury and Post Office appropriation bill is scheduled for consideration following this bill, and so that Members may get through with the legislative program in time for the Memorial Day recess, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WRIGHT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. CONTE. Mr. Speaker, I demand a separate vote on the so-called Conte amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 22, line 17, strike the period and insert the following: " : *Provided further*, That no part of the funds appropriated by this Act shall be used to formulate or carry out any price support program (other than for sugar) under which payments aggregating more than \$20,000 under all such programs are made to any producer on any crops planted in the fiscal year 1970."

The SPEAKER. The question is on the amendment.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 224, nays 142, answered "present" 2, not voting 64, as follows:

[Roll No. 64]

YEAS—224

Abbltt	Fallon	Lowenstein
Adair	Farbsteln	Lujan
Adams	Fasell	McCarthy
Addabbo	Feighan	McCloskey
Andrews,	Findley	McCulloch
N. Dak.	Fish	McDade
Annunzio	Flood	McDonald,
Ashbrook	Ford,	Mich.
Baring	William D.	McEwen
Barrett	Fraser	MacGregor
Beall, Md.	Frelinghuysen	Madden
Bennett	Frey	Mailliard
Betts	Friedel	Marsh
Biaggi	Fulton, Pa.	Mayne
Bieber	Fulton, Tenn.	Meskill
Blackburn	Gallagher	Mikva
Boland	Garmatz	Miller, Calif.
Bolling	Gaydos	Minish
Brademas	Glaime	Minshall
Brasco	Gibbons	Moilohan
Brock	Gilbert	Monagan
Broomfield	Green, Oreg.	Moorhead
Brotzman	Green, Pa.	Morgan
Brown, Mich.	Griffiths	Morse
Brown, Ohio	Gross	Mosher
Broyhill, Va.	Grover	Moss
Buchanan	Gubser	Murphy, Ill.
Burke, Fla.	Gude	Murphy, N.Y.
Burke, Mass.	Haley	Nedzi
Button	Hali	Nelsen
Byrne, Pa.	Halpern	Nix
Cederberg	Hamilton	Obey
Celler	Hanley	O'Hara
Chamberlain	Harsha	O'Konski
Clancy	Harvey	O'Neill, Mass.
Clark	Hastings	Ottinger
Clay	Hawkins	Pelly
Cleveland	Hays	Pepper
Cohelan	Hechler, W. Va.	Pettis
Collier	Heckler, Mass.	Philbin
Conable	Hicks	Pike
Conte	Hogan	Pirnie
Coughlin	Hollfield	Podell
Cramer	Horton	Poff
Culver	Hosmer	Price, Ill.
Daddario	Howard	Pucinski
Daniels, N.J.	Hungate	Quie
Dawson	Hutchinson	Quillen
Deaney	Ichord	Rallsback
Dennis	Jacobs	Reid, N.Y.
Dent	Jarman	Reuss
Derwinski	Joelson	Riegle
Diggs	Johnson, Pa.	Robison
Dingell	Karh	Rodino
Donohue	Kastenmeier	Rogers, Colo.
Duncan	Keith	Rogers, Fla.
Edwards, Calif.	Kleppe	Ronan
Eilberg	Kluczynski	Rooney, N.Y.
Erlenborn	Koch	Rooney, Pa.
Esch	Lipscorn	Rosenthal
Eshleman	Long, Md.	Rostenkowski

Roth
Ruppe
Ryan
St Germain
Saylor
Schneebeli
Schwengel
Scott
Shipley
Smith, Calif.
Snyder
Springer
Stafford
Staggers
Stanton

Steiger, Wis.
Stokes
Sullivan
Symington
Taft
Teague, Calif.
Thompson, N.J.
Tiernan
Utt
Van Deerlin
Vander Jagt
Vanik
Waldie
Watkins
Weicker

NAYS—142

Abernethy
Albert
Alexander
Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Arends
Aspinall
Ayres
Belcher
Bevill
Blanton
Boggs
Bow
Bray
Brinkley
Brooks
Broyhill, N.C.
Burlison, Mo.
Burton, Utah
Byrnes, Wis.
Cabell
Caffery
Camp
Casey
Chappell
Clausen,
Don H.
Collins
Daniel, Va.
Davis, Ga.
Davis, Wis.
Dellenback
Denney
Devine
Dickinson
Dorn
Dowdy
Downing
Edmondson
Evans, Colo.
Fisher
Flowers
Flynt
Foley
Ford, Gerald R.
Fountain

Fuqua
Galifianakis
Gonzalez
Goodling
Gray
Griffin
Hagan
Hammer-
schmidt
Hansen, Idaho
Hansen, Wash.
Hathaway
Henderson
Hull
Johnson, Calif.
Jonas
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kazen
Kee
Kling
Kyros
Landgrebe
Landrum
Langen
Leggett
Lennon
Lloyd
Long, La.
Lukens
McClary
McFall
McKneally
McMillan
Mahon
Mann
Mathias
Matsunaga
May
Meeds
Michel
Miller, Ohio
Mills
Mink
Mize
Mizell
Montgomery
Myers

Whalen
Whalley
Wldnall
Williams
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Zablocki
Zwach

Natcher
Nichols
Olsen
O'Neal, Ga.
Passman
Patman
Patten
Perkins
Pickle
Poage
Preyer, N.C.
Price, Tex.
Pryor, Ark.
Purcell
Rarick
Reid, Ill.
Rhodes
Roberts
Ruth
St. Onge
Satterfield
Schadeberg
Sebelius
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Steed
Steiger, Ariz.
Stuckey
Talcott
Taylor
Teague, Tex.
Udall
Ullman
Vigorito
Waggonner
Wampler
Watson
White
Whitehurst
Whitten
Winn
Zion

Mr. Scheuer for, with Mr. Hébert against.
Mr. Blatnik for, with Mr. Evins of Tennessee against.

Mr. Macdonald of Massachusetts for, with Mr. Young against.

Mr. Anderson of California for, with Mr. Stephens against.

Mr. Carey for, with Mr. Gettys against.

Mr. Rees for, with Mr. Stubblefield against.

Mr. Roybal for, with Mr. de la Garza against.

Mr. Duiski for, with Mr. Burleson of Texas against.

Mr. Ashley for, with Mr. Colmer against.

Mr. Latta for, with Mr. Kyl against.

Mr. Del Clawson for, with Mr. Carter against.

Mr. Hunt for, with Mr. Wold against.

Mr. Corbett for, with Mr. Kuykendall against.

Mr. Thomson of Wisconsin for, with Mr. Scherle against.

Mr. Goldwater for, with Mr. Morton against.

Until further notice:

Mr. Brown of California with Mr. Wiggins.

Mr. Burton of California with Mr. Pollock.

Mr. Kirwan with Mr. Cahill.

Mr. Watts with Mr. Cowger.

Mr. Powell with Mr. Sandman.

Mr. Eckhardt with Mr. Foreman.

Mr. Cormann with Mr. Bob Wilson.

Mr. Randall with Mrs. Dwyer.

Mr. Helstoski with Mr. Reifel.

Mr. Chisholm with Mr. Bell.

Mr. Bates with Mr. McClure.

Mr. Cunningham with Mr. Thompson of Georgia.

Mr. Edwards of Alabama with Mr. Berry.

Mr. Martin with Mr. Roudebush.

Mr. HANNA. Mr. Speaker, I have a live pair with the gentleman from California (Mr. TUNNEY). If he had been present, he would have voted "nay." I voted "yea."

I withdraw my vote and vote "present."

Mr. ADAMS changed his vote from "nay" to "yea."

Mr. ROONEY of New York changed his vote from "nay" to "yea."

Mr. CHARLES H. WILSON. Mr. Speaker, I have a live pair with the gentleman from South Carolina (Mr. RIVERS). If he had been present, he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MICHEL. In its present form I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MICHEL moves to recommit the bill H.R. 11612 to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

ANSWERED "PRESENT"—2

Hanna
Wilson,
Charles H.

NOT VOTING—64

Anderson, Calif.
Ashley
Bates
Bell, Calif.
Berry
Bingham
Blatnik
Brown, Calif.
Burleson, Tex.
Burton, Calif.
Cahill
Carey
Carter
Chisholm
Clawson, Del.
Colmer
Conyers
Corbett
Corman
Cowger
Cunningham

de la Garza
Dulski
Dwyer
Eckhardt
Edwards, Ala.
Edwards, La.
Evins, Tenn.
Foreman
Gettys
Goldwater
Hébert
Helstoski
Hunt
Kirwan
Kuykendall
Kyl
Latta
McClure
Macdonald,
Mass.
Martin
Morton

Pollock
Powell
Randall
Rees
Reifel
Rivers
Roudebush
Roybal
Sandman
Scherle
Scheuer
Stephens
Stratton
Stubblefield
Thompson, Ga.
Thomson, Wls.
Tunney
Watts
Wiggins
Wilson, Bob
Wold
Young

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hanna for, with Mr. Tunney against.
Mr. Charles H. Wilson for, with Mr. Rivers against.

Mr. Stratton for, with Mr. Edwards of Louisiana against.

Mr. Conyers for, with Mr. Bingham against.

The SPEAKER. The question is on the passage of the bill.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 321, nays 50, not voting 61, as follows:

[Roll No. 65]

YEAS—321

Abbitt	Edmondson	McDade
Abernethy	Edwards, Ala.	McDonald,
Adair	Eilberg	Mich.
Addabbo	Erlennborn	McEwen
Albert	Esch	McFall
Alexander	Evans, Colo.	McKneally
Anderson, Ill.	Fallon	McMillan
Anderson,	Fascell	MacGregor
Tenn.	Feighan	Madden
Andrews, Ala.	Findley	Mailliard
Andrews,	Fish	Mann
N. Dak.	Fisher	Marsh
Annunzio	Flood	Mathias
Arends	Flowers	Matsunaga
Ashbrook	Flynt	May
Aspinall	Foley	Meeds
Ayres	Fountain	Meskill
Baring	Fraser	Miller, Calif.
Barrett	Frelinghuysen	Miller, Ohio
Beall, Md.	Frey	Mills
Belcher	Friedel	Minish
Betts	Fulton, Tenn.	Mink
Bevill	Fuqua	Mize
Biaggi	Galifianakis	Mizell
Blester	Gallagher	Mollohan
Blanton	Garmatz	Monagan
Boggs	Gaydos	Montgomery
Boland	Gialmo	Moorhead
Bolling	Gibbons	Morgan
Bow	Gilbert	Morse
Brademas	Gonzalez	Mosher
Brasco	Gray	Moss
Bray	Green, Oreg.	Murphy, Ill.
Brinkley	Green, Pa.	Murphy, N.Y.
Brock	Griffin	Myers
Brooks	Griffiths	Natcher
Broomfield	Gross	Nedzi
Brotzman	Hagan	Nelsen
Brown, Mich.	Haley	Nichols
Brown, Ohio	Hall	Nix
Broyhill, N.C.	Hamilton	Obey
Broyhill, Va.	Hammer-	O'Hara
Buchanan	schmidt	O'Konski
Burke, Fla.	Hanna	Olsen
Burke, Mass.	Hansen, Idaho	O'Neal, Ga.
Burlison, Mo.	Hansen, Wash.	O'Neill, Mass.
Burton, Utah	Harsha	Passman
Bush	Harvey	Patman
Button	Hastings	Patten
Byrne, Pa.	Hathaway	Pepper
Byrnes, Wis.	Hawkins	Perkins
Cabell	Hays	Pettis
Caffery	Heckler, Mass.	Philbin
Camp	Henderson	Pickle
Casey	Hicks	Pirnie
Cederberg	Hogan	Poage
Celler	Hollifield	Poff
Chamberlain	Horton	Preyer, N.C.
Chappell	Hull	Price, Ill.
Clark	Hungate	Price, Tex.
Clausen,	Hutchinson	Pryor, Ark.
Don H.	Ichord	Purcell
Clay	Jarman	Quie
Cleveland	Johnson, Calif.	Quillen
Collins	Jonas	Railsback
Conable	Jones, Ala.	Rarick
Conte	Jones, N.C.	Reid, Ill.
Coughlin	Jones, Tenn.	Reid, N.Y.
Cramer	Karth	Reuss
Culver	Kastenmeier	Rhodes
Cunningham	Kazen	Riegle
Daddario	Kee	Roberts
Daniel, Va.	Keith	Robison
Daniels, N.J.	King	Rodino
Davis, Ga.	Kleppe	Rogers, Colo.
Davis, Wis.	Kluczynski	Rogers, Fla.
Dawson	Kyros	Ronan
Delaney	Landgrebe	Rooney, N.Y.
Dellenback	Landrum	Rooney, Pa.
Denney	Langen	Rostenkowski
Dennis	Leggett	Roth
Dent	Lennon	Ruppe
Derwinski	Lipscomb	Ruth
Dickinson	Lloyd	St. Onge
Diggs	Long, La.	Satterfield
Dingell	Long, Md.	Schadeberg
Donohue	Lowenstein	Schwengel
Dorn	Lujan	Scott
Dowdy	Lukens	Sebelius
Downing	McClory	Shipley
Duncan	McCloskey	Shriver
Eckhardt	McCulloch	Sikes

Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stokes
Stuckey
Sullivan
Symington
Talcott

Taylor
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vigorito
Waggonner
Waldie
Wampler
Watson
Watts
Weicker
Whalen
White

Whitehurst
Whitten
Widnall
Williams
Wilson,
Charles H.
Winn
Wright
Wylie
Wyman
Yates
Yatron
Zablocki
Zion
Zwach

NAYS—50

Adams
Bennett
Blackburn
Clancy
Cohelan
Collier
Devine
Edwards, Calif.
Eshleman
Farbsteln
Ford, Gerald R.
Ford,
William D.
Fulton, Pa.
Goodling
Grover
Gubser

Gude
Halpern
Hanley
Hechler, W. Va.
Hosmer
Howard
Jacobs
Joelson, Pa.
Johnson, Pa.
Koch
McCarthy
Mahon
Michel
Mikva
Minshall
Ottinger
Pelly

Pike
Podell
Pucinski
Rosenthal
Ryan
St Germain
Saylor
Schneebeli
Smith, Calif.
Taft
Utt
Vanik
Watkins
Whalley
Wolf
Wyatt
Wydler

NOT VOTING—61

Anderson,
Calif.
Ashley
Bates
Bell, Calif.
Berry
Bingham
Blatnik
Brown, Calif.
Burleson, Tex.
Burton, Calif.
Cahill
Carey
Carter
Chisholm
Clawson, Del
Colmer
Conyers
Corbett
Corman
Cowger

de la Garza
Dulski
Dwyer
Edwards, La.
Evins, Tenn.
Foreman
Gettys
Goldwater
Hébert
Helstoski
Hunt
Kirwan
Kuykendall
Kyl
Latta
McClure
Macdonald,
Mass.
Martin
Mayne
Morton

Pollock
Powell
Randall
Rees
Reifel
Rivers
Roudebush
Roybal
Sandman
Scherle
Scheuer
Stephens
Stratton
Stubblefield
Thompson, Ga.
Thomson, Wis.
Tunney
Wiggins
Wilson, Bob
Wold
Young

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Corman against.
Mr. Burleson of Texas for, with Mr. Scheurer against.
Mr. Latta for, with Mr. Corbett against.
Mr. Morton for, with Mr. Del Clawson against.
Mr. Bob Wilson for, with Mr. Kuykendall against.

Until further notice:

Mr. Kirwan with Mr. Cahill.
Mr. Burton with Mr. Reifel.
Mr. Macdonald of Massachusetts with Mr. Bates.
Mr. Evins of Tennessee with Mr. Thomson of Wisconsin.
Mr. Rivers with Mr. Kyl.
Mr. Gettys with Mr. Berry.
Mr. Brown of California with Mr. Sandman.
Mr. Colmer with Mr. Cowger.
Mr. Stubblefield with Mr. McClure.
Mr. Randall with Mr. Foreman.
Mr. Carey with Mrs. Dwyer.
Mr. Blatnik with Mr. Scherle.
Mr. Edwards of Louisiana with Mr. Carter.
Mr. Stratton with Mr. Roudebush.
Mr. Stephens with Mr. Mayne.
Mr. Tunney with Mr. Pollock.
Mr. Young with Mr. Martin.
Mr. Bingham with Mr. Wiggins.
Mr. Ashley with Mr. Goldwater.
Mr. Anderson of California with Mr. Hunt.
Mr. Dulski with Mr. Wold.

Mr. Powell with Mr. Bell.
Mr. Rees with Mr. Thompson of Georgia.
Mr. Roybal with Mr. Helstoski.
Mrs. Chisholm with Mr. Conyers.

Mr. SAYLOR changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded. A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed and include extraneous matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a concurrent resolution of the House of the following title:

H. Con. Res. 277. Providing for an adjournment of the House of Representatives from Wednesday, May 28, 1969, until Monday, June 2, 1969.

LEGISLATIVE PROGRAM

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute for the purpose of asking the distinguished majority leader the program for the rest of the day and the rest of the week.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the distinguished minority leader the next order of business will be the bill, H.R. 11582, the Treasury, Post Office, and Executive Office appropriation bill, 1970.

On tomorrow, as previously announced, the House will consider the bill, H.R. 4204, to amend the War Claims Act of 1948 and House Resolution 425 to transfer funds within the offices of the Clerk and the Sergeant at Arms of the House of Representatives.

Mr. GERALD R. FORD. I thank the distinguished majority leader.

TREASURY, POST OFFICE, AND EXECUTIVE OFFICE APPROPRIATIONS, 1970

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 424 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 424

Resolved, That during the consideration of the bill (H.R. 11582) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and

certain independent agencies, for the fiscal year ending June 30, 1970, and for other purposes, all points of order against section 502 of said bill are hereby waived.

The SPEAKER. The gentleman from Florida (Mr. PEPPER) is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Illinois (Mr. ANDERSON) and myself such time as I may consume.

Mr. Speaker, House Resolution 424 provides for a rule waiving all points of order against section 502 of H.R. 11582, the Treasury, Post Office, and Executive Office appropriation bill, 1970.

The reason for the waiver is that section 502 constitutes legislation on an appropriation bill.

This section 502 would set aside, Mr. Speaker, only for 1 year the personnel ceiling on the Treasury, Post Office, and Executive Office which ceiling was placed on the governmental agency by Public Law 90-364.

In the case of the Treasury, Mr. Speaker, it was reported to the Committee on Rules that there has been a loss of about a half billion dollars and there have been many, many losses to the Customs Bureau by reason of not having adequate personnel.

I think therefore that this waiver should be allowed.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the distinguished gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the gentleman yielding.

Do I understand that this resolution reported out by the Committee on Rules waives all points of order on section 502 of the bill that we are to consider H.R. 11582, and that involves, according to the committee report, 17,800 additional jobs for these various agencies? In effect, such action actually does away with the applicable portion of the Economic Assistance Act of last year.

Mr. PEPPER. It applies to those three departments for only 1 year.

Mr. HALL. Yes, but in those three departments, Mr. Speaker, there are 17,800 jobs, according to the committee report. It is perhaps for only 1 year, but the intent of the Economic Assistance Act, in the first place, was to retrench in order that we could avoid further spirals of inflation, in order that we could eliminate the pipeline and, indeed, as part of the genesis of the surtax, which we are all suffering from. It seems to me exceedingly strange that, in the wisdom of the Committee on Rules, we should have a waiver of points of order, which takes away all the rights of all the Members to present a point of order under such circumstances as this, which is in turn really a two-edged sword: One, which repeals the Economic Assistance Act, in effect, as we did indeed make exceptions to it last year in certain areas; second, it takes away the right of the Members.

Therefore, I think that this rule should be defeated out of hand, if that is the intent of this, because section 502 plainly provides:

SEC. 502. Positions in the agencies covered by this Act, whether financed from funds contained in this Act or from other sources, may be filled during the fiscal year 1970 without regard to the provisions of section 201 of Public Law 90-364.

The Economic Assistance Act—

and such positions shall not be taken into consideration in determining numbers of employees—

That language makes it open ended. I do not feel it is the mood of the people or the Congress to pass such legislation, especially through the device of waiving points of order and the individual Member's prerogative in such instances. I appreciate the gentleman yielding. I would like further explanation.

Mr. PEPPER. Mr. Speaker, I yield to the able gentleman from Oklahoma, the chairman of the subcommittee, to explain the matter.

Mr. STEED. I am sorry to have to take some of the wind out of the sails of my good friend from Missouri. But he ought to know the postal field service is already exempt by the law itself we passed last year. The 4,500 jobs in this bill for the Treasury Department would be affected by this exemption, and, of course, it would preclude further reductions in personnel already on the rolls.

The gentleman sat here all day yesterday and today and let the Agriculture appropriation bill go through with this very same exemption in it, and he did not open his head. Now we are affecting the agencies of the Government that enforce the laws and bring in the revenues we so badly need, and all of a sudden the gentleman wants to raise a point about our giving them the manpower they must have to do their job.

Mr. HALL. Mr. Speaker, will the gentleman yield further?

Mr. PEPPER. I am glad to yield to the able gentleman from Missouri.

Mr. HALL. I appreciate most of what the gentleman from Oklahoma said. Indeed, I think the wind from him blows as agreeably as the wind over the plains of his fair State, and he can always take out of my sails in any opportunity he has.

I think the reason for asking for a waiver of points of order in this case should be very obvious to the Members after the fiasco we have been through yesterday and today; but, whether I would waive or suffer any of my rights to go by the board on a Department of Agriculture bill is not to the point at all. The point is, that now we have another annual appropriation bill coming in with a waiver of points of order. It approaches becoming customary. It is true, I know, that we did exempt certain postal employees last year, as we did some FAA and USVA employees, and so forth. As the gentleman from Oklahoma would know if he referred to the Record, it was not done with my support and vote, because I was one of the ones who knew that in the months previous, 87,000 employees were hired before we made the exception to the Economic Assistance Act. Be that as it may, I still think—and appreciate the gentleman yielding—this should be defeated out of hand, and

I wonder what has happened to the gentleman from Texas, the chairman of the Committee on Appropriations, who very recently said that we should go all the way and we should have no exceptions to the hiring rule or the Economic Assistance Act, or the new formula he was so proud of in a statement before this House recently.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the distinguished chairman of the Committee on Appropriations.

Mr. MAHON. I thank the gentleman for yielding.

Mr. Speaker, I feel sure the views of the gentleman from Missouri are probably identical to mine with respect to the issue now before us. Last year the Treasury Department, the Customs Bureau, and the Internal Revenue Service, according to the evidence, lost revenue to the tune of more than 500 million because of the cutback in personnel for revenue-collecting work.

The great majority of members of the Committee on Appropriations on both sides of the aisle is in favor of exempting these employees, so that we would not sustain another half-billion dollar loss next year. The committee had no hesitancy in recommending that section 201 of the Revenue and Expenditure Control Act of 1968 be set aside in this regard.

It will save us money. It is a very sound thing.

It is strongly supported by the President.

It is strongly supported by the Director of the Bureau of the Budget.

It is strongly supported by the Secretary of the Treasury.

I believe there is some misunderstanding, because knowing the gentleman's general philosophy as I do, I believe he would not object to this rule or object to this provision. Would the gentleman explain his position a little more to give me an opportunity to explain the views of the committee?

Mr. HALL. Mr. Speaker, will the gentleman yield further?

Mr. PEPPER. I yield to the able gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the attempt on the part of the gentleman from Texas, the chairman of the Committee on Appropriations. I think what he is saying is that the Martinsburg monster is not working, or that Parkinson's law is in effect and that sending more personnel and more money is the only forthcoming solution to the problem after we have spent billions of dollars to reduce personnel requirements.

I have read the report in detail. I understand the action of the Committee on Appropriations. We were told when we put the computer in for the Internal Revenue Service at the cost of many millions of dollars that we would be able to decrease the number of personnel. Now they are coming back for more. I doubt if the people of America, who are being harassed by the Internal Revenue Service, appreciate the fact that they will be harassed for more and more funds

91ST CONGRESS
1ST SESSION

H. R. 11612

IN THE SENATE OF THE UNITED STATES

MAY 29, 1969

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture and related agencies for the fiscal
6 year ending June 30, 1970, and for other purposes; namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—GENERAL ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, marketing, nutrition and
7 consumer use, to control and eradicate pests and plant and
8 animal diseases, and to perform related inspection, quaran-
9 tine and regulatory work: *Provided*, That appropriations
10 hereunder shall be available for field employment pursuant
11 to the second sentence of section 706 (a) of the Organic Act
12 of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall
13 be available for employment under 5 U.S.C 3109: *Provided*
14 *further*, That appropriations hereunder shall be available for
15 the operation and maintenance of aircraft and the purchase
16 of not to exceed two for replacement only: *Provided*
17 *further*, That appropriations hereunder shall be available
18 pursuant to 7 U.S.C. 2250, for the construction, alteration,
19 and repair of buildings and improvements, but unless other-
20 wise provided, the cost of constructing any one building
21 (except headhouses connecting greenhouses) shall not ex-
22 ceed \$25,000, except for six buildings to be constructed
23 or improved at a cost not to exceed \$55,000 each, and the
24 cost of altering any one building during the fiscal year shall
25 not exceed \$7,500 or 7.5 per centum of the cost of the build-

1 ing, whichever is greater: *Provided further*, That the limita-
2 tions on alterations contained in this Act shall not apply
3 to a total of \$100,000 for facilities at Beltsville, Maryland:

4 Research: For research and demonstrations on the
5 production and utilization of agricultural products; agri-
6 cultural marketing and distribution, not otherwise provided
7 for; home economics or nutrition and consumer use of
8 agricultural and associated products; and related research
9 and services; and for acquisition of land by donation, ex-
10 change, or purchase at a nominal cost not to exceed \$100;
11 \$130,182,000, and in addition not to exceed \$15,000,000
12 from funds available under section 32 of the Act of August
13 24, 1935, pursuant to Public Law 88-250 shall be transferred
14 to and merged with this appropriation, of which \$710,000
15 shall remain available until expended for plans, construc-
16 tion, and improvement of facilities without regard to limita-
17 tions contained herein: *Provided*, That the limitations con-
18 tained herein shall not apply to replacement of buildings
19 needed to carry out the Act of April 24, 1948 (21 U.S.C.
20 113a): *Provided further*, That none of the funds appro-
21 priated in this Act shall be used to formulate a budget
22 estimate for fiscal 1971 of more than \$15,000,000 for re-
23 search to be financed by transfer from funds available under
24 section 32 of the Act of August 24, 1935, and pursuant to
25 Public Law 88-250;

1 Plant and animal disease and pest control: For opera-
2 tions and measures, not otherwise provided for, to control
3 and eradicate pests and plant and animal diseases and for
4 carrying out assigned inspection, quarantine, and regulatory
5 activities, as authorized by law, including expenses pursuant
6 to the Act of February 28, 1947, as amended (21 U.S.C.
7 114b-c), \$89,493,000, of which \$1,500,000 shall be ap-
8 portioned for use pursuant to section 3679 of the Revised
9 Statutes, as amended, for the control of outbreaks of insects,
10 plant diseases and animal diseases to the extent necessary
11 to meet emergency conditions: *Provided*, That no funds shall
12 be used to formulate or administer a brucellosis eradication
13 program for the current fiscal year that does not require mini-
14 mum matching by any State of at least 40 per centum: *Pro-*
15 *vided further*, That not to exceed \$1,000,000 shall remain
16 available until expended for construction of facilities without
17 regard to limitations contained herein: *Provided further*,
18 That, in addition, in emergencies which threaten the live-
19 stock or poultry industries of the country, the Secretary may
20 transfer from other appropriations or funds available to the
21 agencies or corporations of the Department such sums as he
22 may deem necessary, to be available only in such emergencies
23 for the arrest and eradication of foot-and-mouth disease, rin-
24 derpest, contagious pleuropneumonia, or other contagious
25 or infectious diseases of animals, or European fowl pest and

1 similar diseases in poultry, and for expenses in accordance
2 with the Act of February 28, 1947, as amended, and any
3 unexpended balances of funds transferred under this head in
4 the next preceding fiscal year shall be merged with such
5 transferred amounts;

6 Special fund: To provide for additional labor, sub-
7 professional and junior scientific help to be employed under
8 contracts and cooperative agreements to strengthen the work
9 at research installations in the field, not more than \$2,000,-
10 000 of the amount appropriated under this head for the
11 previous fiscal year may be used by the Administrator of
12 the Agricultural Research Service in departmental research
13 programs in the current fiscal year, the amount so used to be
14 transferred to and merged with the appropriation otherwise
15 available under "Salaries and expenses, Research".

16 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
17 PROGRAM)

18 For payments, in foreign currencies owed to or owned
19 by the United States for market development research
20 authorized by section 104 (b) (1) and for agricultural and
21 forestry research and other functions related thereto author-
22 ized by section 104 (b) (3) of the Agricultural Trade
23 Development and Assistance Act of 1954, as amended (7
24 U.S.C. 1704 (b) (1), (3)), \$4,500,000, to remain avail-
25 able until expended: *Provided*, That this appropriation shall

1 be available, in addition to other appropriations for these
2 purposes, for payments in the foregoing currencies: *Provided*
3 *further*, That funds appropriated herein shall be used for
4 payments in such foreign currencies as the Department
5 determines are needed and can be used most effectively to
6 carry out the purposes of this paragraph: *Provided further*,
7 That not to exceed \$25,000 of this appropriation shall
8 be available for payments in foreign currencies for expenses
9 of employment pursuant to the second sentence of section
10 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), as
11 amended by 5 U.S.C. 3109.

12 COOPERATIVE STATE RESEARCH SERVICE

13 PAYMENTS AND EXPENSES

14 For payments to agricultural experiment stations, for
15 grants for cooperative forestry and other research, for facili-
16 ties, and for other expenses, including \$53,854,000 to carry
17 into effect the provisions of the Hatch Act, approved
18 March 2, 1887, as amended by the Act approved August 11,
19 1955 (7 U.S.C. 361a-361i), including administration by
20 the United States Department of Agriculture; \$3,785,000 for
21 grants for cooperative forestry research under the Act
22 approved October 10, 1962 (16 U.S.C. 582a-582a-7),
23 \$2,000,000 in addition to funds otherwise available for
24 contracts and grants for scientific research under the Act

1 of August 4, 1965 (7 U.S.C. 450i) of which \$1,000,000
2 shall be for the special cotton research program and \$400,000
3 for soybean research; \$1,000,000 for grants for facilities
4 under the Act approved July 22, 1963 (7 U.S.C. 390-
5 390k) ; \$160,000 for penalty mail costs of agricultural experi-
6 ment stations under section 6 of the Hatch Act of 1887, as
7 amended; and \$376,000 for necessary expenses of the Coop-
8 erative State Research Service, including administration of
9 payments to State agricultural experiment stations, funds for
10 employment pursuant to the second sentence of section 706
11 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not
12 to exceed \$50,000 for employment under 5 U.S.C. 3109;
13 in all, \$61,175,000.

14 EXTENSION SERVICE

15 COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

16 Payments to States and Puerto Rico: For payments
17 for cooperative agricultural extension work under the Smith-
18 Lever Act, as amended by the Act of June 26, 1953, the
19 Act of August 11, 1955, and the Act of October 5, 1962
20 (7 U.S.C. 341-349), to be distributed under sections 3 (b)
21 and 3 (c) of the Act, \$82,006,000; payments for the nu-
22 trition education program for low-income areas under sec-
23 tion 3 (d) of the Act, \$28,560,000; payments and contracts
24 for such work under section 204 (b) -205 of the Agricultural

1 Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,450,-
2 000; and payments for extension work under section 109
3 of the District of Columbia Public Education Act, as
4 amended by the Act of June 20, 1968 (7 U.S.C. 329),
5 \$375,000; in all, \$112,391,000: *Provided*, That funds
6 hereby appropriated pursuant to section 3(c) of the Act
7 of June 26, 1953, shall not be paid to any State or Puerto
8 Rico prior to availability of an equal sum from non-Federal
9 sources for expenditure during the current fiscal year.

10 Retirement and employees' compensation costs for
11 extension agents: For cost of employer's share of Federal
12 retirement and for reimbursement for benefits paid from
13 the Employees' Compensation Fund for cooperative ex-
14 tension employees, \$10,000,000.

15 Penalty mail: For costs of penalty mail for cooperative
16 extension agents and State extension directors, \$3,400,000.

17 Federal Extension Service: For administration of the
18 Smith-Lever Act, as amended by the Act of June 26, 1953,
19 the Act of August 11, 1955, and the Act of October 5,
20 1962 (7 U.S.C. 341-349), and extension aspects of the
21 Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627),
22 and of the District of Columbia Public Education Act, as
23 amended by the Act of June 20, 1968 (7 U.S.C. 329),
24 and to coordinate and provide program leadership for the

1 extension work of the Department and the several States
2 and insular possessions, \$3,338,000.

3 FARMER COOPERATIVE SERVICE

4 SALARIES AND EXPENSES

5 For necessary expenses to carry out the Act of July 2,
6 1926 (7 U.S.C. 451-457), and for conducting research
7 relating to the economic and marketing aspects of farmer co-
8 operatives, as authorized by the Agricultural Marketing Act
9 of 1946 (7 U.S.C. 1621-1627), \$1,500,000.

10 SOIL CONSERVATION SERVICE

11 CONSERVATION OPERATIONS

12 For necessary expenses for carrying out the provisions
13 of the Act of April 27, 1935 (16 U.S.C. 590a-590f),
14 including preparation of conservation plans and establish-
15 ment of measures to conserve soil and water (including
16 farm irrigation and land drainage and such special measures
17 as may be necessary to prevent floods and the siltation of
18 reservoirs); operation of conservation nurseries; classifica-
19 tion and mapping of soil; dissemination of information;
20 purchase and erection or alteration of permanent buildings;
21 and operation and maintenance of aircraft, \$118,786,000:
22 *Provided*, That the cost of any permanent building pur-
23 chased, erected, or as improved, exclusive of the cost of

1 constructing a water supply or sanitary system and con-
2 necting the same to any such building and with the
3 exception of buildings acquired in conjunction with land
4 being purchased for other purposes, shall not exceed \$2,500.
5 except for one building to be constructed at a cost not to
6 exceed \$25,000 and eight buildings to be constructed or
7 improved at a cost not to exceed \$15,000 per building
8 and except that alterations or improvements to other exist-
9 ing permanent buildings costing \$2,500 or more may be
10 made in any fiscal year in an amount not to exceed \$500
11 per building: *Provided further*, That no part of this appro-
12 priation shall be available for the construction of any such
13 building on land not owned by the Government: *Provided*
14 *further*, That no part of this appropriation may be expended
15 for soil and water conservation operations under the Act
16 of April 27, 1935 (16 U.S.C. 590a-590f) in demonstration
17 projects: *Provided further*, That this appropriation shall be
18 available for field employment pursuant to the second sen-
19 tence of section 706 (a) of the Organic Act of 1944 (7
20 U.S.C. 2225), and not to exceed \$5,000 shall be available
21 for employment under 5 U.S.C. 3109: *Provided further*.
22 That qualified local engineers may be temporarily employed
23 at per diem rates to perform the technical planning work
24 of the service.

1 RIVER BASIN SURVEYS AND INVESTIGATIONS

2 For necessary expenses to conduct research, investiga-
3 tions and surveys of the watersheds of rivers and other water-
4 ways, in accordance with section 6 of the Watershed Pro-
5 tection and Flood Prevention Act, approved August 4, 1954,
6 as amended (16 U.S.C. 1006), to remain available until
7 expended; \$8,187,000, with which shall be merged the un-
8 expended balances of funds heretofore appropriated to the
9 Department for river basin survey purposes: *Provided*, That
10 this appropriation shall be available for field employment
11 pursuant to the second sentence of section 706 (a) of the
12 Organic Act of 1944 (7 U.S.C. 2225), and not to exceed
13 \$60,000 shall be available for employment under 5 U.S.C.
14 3109.

15 WATERSHED PLANNING

16 For necessary expenses for small watershed investiga-
17 tions and planning, in accordance with the Watershed Pro-
18 tection and Flood Prevention Act, as amended (16 U.S.C.
19 1001-1008), to remain available until expended, \$6,209,-
20 000, with which shall be merged the unexpended balances
21 of funds heretofore appropriated under this head: *Provided*,
22 That this appropriation shall be available for field employ-
23 ment pursuant to the second sentence of section 706 (a)
24 of the Organic Act of 1944 (7 U.S.C. 2225), and not to

1 exceed \$50,000 shall be available for employment under
2 5 U.S.C. 3109.

3 WATERSHED WORKS OF IMPROVEMENT

4 For necessary expenses to carry out preventive meas-
5 ures, including, but not limited to research, engineering oper-
6 ations, methods of cultivation, the growing of vegetation, and
7 changes in use of land, in accordance with the Watershed
8 Protection and Flood Prevention Act, approved August 4,
9 1954, as amended (16 U.S.C. 1001-1005, 1007-1008), and
10 the provisions of the Act of April 27, 1935 (16 U.S.C.
11 590 a-f), to remain available until expended; \$57,873,000,
12 with which shall be merged the unexpended balances of
13 funds heretofore appropriated or transferred to the Depart-
14 ment for watershed protection purposes: *Provided*, That this
15 appropriation shall be available for field employment pursu-
16 ant to the second sentence of section 706 (a) of the Organic
17 Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000
18 shall be available for employment under 5 U.S.C. 3109:
19 *Provided further*, That \$3,000,000 of the funds in the direct
20 loan account of the Farmers Home Administration shall be
21 available until expended for loans.

22 FLOOD PREVENTION

23 For necessary expenses, in accordance with the Flood
24 Control Act, approved June 22, 1936 (33 U.S.C. 701-709,
25 16 U.S.C. 1006a), as amended and supplemented, and in

1 accordance with the provisions of laws relating to the
2 activities of the Department, to perform works of improve-
3 ment, including funds for field employment pursuant to the
4 second sentence of section 706 (a) of the Organic Act of
5 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for
6 employment under 5 U.S.C. 3109, to remain available until
7 expended; \$20,223,000, with which shall be merged the
8 unexpended balances of funds heretofore appropriated or
9 transferred to the Department for flood prevention pur-
10 poses: *Provided*, That \$400,000 of funds in the direct loan
11 account of the Farmers Home Administration shall be avail-
12 able until expended for loans.

13 GREAT PLAINS CONSERVATION PROGRAM

14 For necessary expenses to carry into effect a program
15 of conservation in the Great Plains area, pursuant to sec-
16 tion 16 (b) of the Soil Conservation and Domestic Allot-
17 ment Act, as added by the Act of August 7, 1956 (16
18 U.S.C. 590p), \$15,000,000, to remain available until
19 expended.

20 RESOURCE CONSERVATION AND DEVELOPMENT

21 For necessary expenses in planning and carrying out
22 projects for resource conservation and development, and
23 for sound land use, pursuant to the provisions of section
24 32 (e) of title III of the Bankhead-Jones Farm Tenant Act,

1 as amended (7 U.S.C. 1011; 76 Stat. 607), and the pro-
2 visions of the Act of April 27, 1935 (16 U.S.C. 590a-f),
3 \$7,452,000, to remain available until expended: *Provided*,
4 That the unobligated balance of funds heretofore appropri-
5 ated under the head "Rural renewal" shall be transferred
6 to and merged with this appropriation: *Provided further*,
7 That \$1,500,000 of the funds available in the direct loan
8 account of the Farmers Home Administration shall be avail-
9 able for loans under subtitle A of the Consolidated Farmers
10 Home Administration Act of 1961, as amended, to remain
11 available until expended: *Provided further*, That this appro-
12 priation shall be available for field employment pursuant
13 to the second sentence of section 706 (a) of the Organic Act
14 of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall
15 be available for employment under 5 U.S.C. 3109.

16 ECONOMIC RESEARCH SERVICE

17 SALARIES AND EXPENSES

18 For necessary expenses of the Economic Research Serv-
19 ice in conducting economic research and service relating to
20 agricultural production, marketing, and distribution, as au-
21 thorized by the Agricultural Marketing Act of 1946 (7
22 U.S.C. 1621-1627), and other laws, including economics of
23 marketing; analyses relating to farm prices, income and

1 population, and demand for farm products, use of resources in
2 agriculture, adjustments, costs and returns in farming, and
3 farm finance; and for analyses of supply and demand for farm
4 products in foreign countries and their effect on prospects for
5 United States exports, progress in economic development
6 and its relation to sales of farm products, assembly and anal-
7 ysis of agricultural trade statistics and analysis of interna-
8 tional financial and monetary programs and policies as they
9 affect the competitive position of United States farm prod-
10 ucts; \$13,450,000: *Provided*, That not less than
11 \$350,000 of the funds contained in this appropriation
12 shall be available to continue to gather statistics and conduct
13 a special study on the price spread between the farmer and
14 consumer: *Provided further*, That this appropriation shall be
15 available for employment pursuant to the second sentence of
16 section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
17 and not to exceed \$75,000 shall be available for employment
18 under 5 U.S.C. 3109: *Provided further*, That not less than
19 \$145,000 of the funds contained in this appropriation shall
20 be available for analysis of statistics and related facts on for-
21 eign production and full and complete information on meth-
22 ods used by other countries to move farm commodities in
23 world trade on a competitive basis.

1 STATISTICAL REPORTING SERVICE

2 SALARIES AND EXPENSES

3 For necessary expenses of the Statistical Reporting
4 Service in conducting statistical reporting and service work,
5 including crop and livestock estimates, statistical coordination
6 and improvements, and marketing surveys, as authorized by
7 the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-
8 1627) and other laws, \$14,950,000: *Provided*, That no
9 part of the funds herein appropriated shall be available
10 for any expense incident to publishing estimates of apple
11 production for other than the commercial crop: *Provided*
12 *further*, That this appropriation shall be available for em-
13 ployment pursuant to the second sentence of section 706
14 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not
15 to exceed \$40,000 shall be available for employment under
16 5 U.S.C. 3109.

17 CONSUMER AND MARKETING SERVICE

18 CONSUMER PROTECTIVE, MARKETING, AND REGULATORY
19 PROGRAMS

20 For expenses necessary to carry on services related to
21 consumer protection, agricultural marketing and distribution,
22 and regulatory programs, other than Packers and Stock-
23 yards Act, as authorized by law, and for administration and
24 coordination of payments to States; including field employ-
25 ment pursuant to section 706 (a) of the Organic Act of

1 1944 (7 U.S.C. 2225), and not to exceed \$25,000 for
 2 employment under 5 U.S.C. 3109, in carrying out section
 3 201 (a) to 201 (d), inclusive, of title II of the Agricultural
 4 Adjustment Act of 1938 (7 U.S.C. 1291) and section 203
 5 (j) of the Agricultural Marketing Act of 1946;
 6 \$130,867,000: *Provided*, That this appropriation shall be
 7 available pursuant to law (7 U.S.C. 2250) for the alteration
 8 and repair of buildings and improvements, but, unless other-
 9 wise provided, the cost of altering any one building during
 10 the fiscal year shall not exceed \$7,500 or 7.5 per centum of
 11 the cost of the building, whichever is greater.

12 PAYMENTS TO STATES AND POSSESSIONS

13 For payments to departments of agriculture, bureaus
 14 and departments of markets, and similar agencies for market-
 15 ing activities under section 204 (b) of the Agricultural
 16 Marketing Act of 1946 (7 U.S.C. 1623 (b)), \$1,600,000.

17 CHILD NUTRITION PROGRAMS

18 For necessary expenses to carry out the provisions of
 19 the National School Lunch Act, as amended (42 U.S.C.
 20 1751-1761) and the applicable provisions other than section
 21 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C.
 22 1773-1785), \$247,441,000, of which \$129,941,000 shall
 23 be derived by transfer from funds available under section
 24 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Pro-*

1 *vided*, That of the foregoing total amount there shall be
2 available \$44,800,000 for special assistance to needy schools,
3 \$10,000,000 for the school breakfast program, \$10,000,000
4 for the nonfood assistance program, \$750,000 for State
5 administrative expenses, and \$10,000,000 for special food
6 service programs for children to remain available until Sep-
7 tember 30 of the next succeeding fiscal year: *Provided fur-*
8 *ther*, That no part of this appropriation shall be used for non-
9 food assistance under section 5 of the National School Lunch
10 Act, as amended: *Provided further*, That an additional
11 \$64,325,000 shall be transferred to this appropriation from
12 funds available under section 32 of the Act of August 24,
13 1935 (7 U.S.C. 612c), for purchase and distribution of agri-
14 cultural commodities and other foods pursuant to section 6
15 of the National School Lunch Act, as amended.

16 **FOOD STAMP PROGRAM**

17 For necessary expenses of the food stamp program
18 pursuant to the Food Stamp Act of 1964, as amended,
19 \$340,000,000.

20 **REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES**

21 **(SECTION 32)**

22 Funds available under section 32 of the Act of August
23 24, 1935 (7 U.S.C. 612c) shall be used only for commod-
24 ity program expenses as authorized therein, and other related
25 operating expenses, except for (1) transfers to the Depart-

1 ment of the Interior as authorized by the Fish and Wildlife
2 Act of August 8, 1956; (2) transfers otherwise provided
3 in this Act; (3) not more than \$2,900,000 for formulation
4 and administration of marketing agreements and orders pur-
5 suant to the Agricultural Marketing Agreement Act of 1937,
6 as amended, and the Agricultural Act of 1961; and (4) in
7 addition to other amounts provided in this Act, not more
8 than \$100,000,000 (including not to exceed \$2,000,000 for
9 State administrative expenses) for (a) child feeding pro-
10 grams and nutritional programs authorized by law in the
11 School Lunch Act and the Child Nutrition Act, as amended;
12 (b) additional direct distribution or other programs, with-
13 out regard to whether such area is under the food stamp
14 program or a system of direct distribution, to provide, in the
15 immediate vicinity of their place of permanent residence,
16 either directly or through a State or local welfare agency,
17 an adequate diet to other needy children and low-income
18 persons determined by the Secretary of Agriculture to be
19 suffering, through no fault of their own, from general and
20 continued hunger resulting from insufficient food: *Provided,*
21 That in making such determinations, the Secretary shall take
22 into consideration the age; income; location and income
23 of parents, if a minor; and employability. For necessary ex-
24 penses to carry out the provisions of the Special Milk Pro-

1 gram, as authorized by section 3 of the Child Nutrition Act
2 of 1966 (42 U.S.C. 1772) \$120,000,000, to be transferred
3 from funds available under section 32 of the Act of August 24,
4 1935 (7 U.S.C. 612c).

5 FOREIGN AGRICULTURAL SERVICE

6 SALARIES AND EXPENSES

7 For necessary expenses for the Foreign Agricultural
8 Service, including carrying out title VI of the Agricultural
9 Act of 1954 (7 U.S.C. 1761-1768), market development
10 activities abroad, and for enabling the Secretary to coordi-
11 nate and integrate activities of the Department in connection
12 with foreign agricultural work, including not to exceed
13 \$35,000 for representation allowances and for expenses pur-
14 suant to section 8 of the Act approved August 3, 1956 (7
15 U.S.C. 1766), \$22,937,000: *Provided*, That not less than
16 \$255,000 of the funds contained in this appropriation shall
17 be available to obtain statistics and related facts on foreign
18 production and full and complete information on methods
19 used by other countries to move farm commodities in world
20 trade on a competitive basis: *Provided further*, That, in
21 addition, not to exceed \$3,117,000 of the funds appropriated
22 by section 32 of the Act of August 24, 1935, as amended
23 (7 U.S.C. 612c), shall be merged with this appropriation
24 and shall be available for all expenses of the Foreign
25 Agricultural Service.

COMMODITY EXCHANGE AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1-17a), \$2,100,000.

AGRICULTURAL STABILIZATION AND CONSERVATION

SERVICE

EXPENSES, AGRICULTURAL STABILIZATION AND

CONSERVATION SERVICE

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar Act of 1948, as amended (7 U.S.C. 1101-1161); sections 7 to 15, 16 (a), 16 (d), 16 (e), 16 (f), 16 (i), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590q); subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816); and laws pertaining to the Commodity Credit Corporation, \$147,420,000: *Provided*, That, in addition, not to exceed \$62,483,000 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund (including not to exceed \$26,757,000 under the limitation on Com-

1 modity Credit Corporation administrative expenses) : *Pro-*
2 *vided further*, That other funds made available to the Agricul-
3 tural Stabilization and Conservation Service for authorized
4 activities may be advanced to and merged with this appro-
5 priation: *Provided further*, That no part of the funds appro-
6 priated or made available under this Act shall be used (1)
7 to influence the vote in any referendum; (2) to influence
8 agricultural legislation, except as permitted in 18 U.S.C.
9 1913; or (3) for salaries or other expenses of members of
10 county and community committees established pursuant to
11 section 8 (b) of the Soil Conservation and Domestic Allot-
12 ment Act, as amended, for engaging in any activities other
13 than advisory and supervisory duties and delegated program
14 functions prescribed in administrative regulations: *Provided*
15 *further*, That no part of the funds appropriated by this Act
16 shall be used to formulate or carry out any price support
17 program (other than for sugar) under which payments
18 aggregating more than \$20,000 under all such programs are
19 made to any producer on any crop planted in the fiscal
20 year 1970.

21 SUGAR ACT PROGRAM

22 For necessary expenses to carry into effect the pro-
23 visions of the Sugar Act of 1948 (7 U.S.C. 1101-1161),
24 \$89,500,000, to remain available until June 30 of the next
25 succeeding fiscal year.

1 AGRICULTURAL CONSERVATION PROGRAM

2 For necessary expenses to carry into effect the program
3 authorized in sections 7 to 15, 16 (a), and 17 of the Soil
4 Conservation and Domestic Allotment Act, approved Febru-
5 ary 29, 1936, as amended (16 U.S.C. 590g-590o, 590p (a),
6 and 590q), including not to exceed \$15,000 for the prepara-
7 tion and display of exhibits, including such displays at State,
8 interstate, and international fairs within the United States,
9 \$195,500,000, to remain available until December 31 of the
10 next succeeding fiscal year for compliance with the programs
11 of soil-building and soil- and water-conserving practices au-
12 thorized under this head in the Department of Agriculture
13 and Related Agencies Appropriation Acts, 1968 and 1969,
14 carried out during the period July 1, 1967, to December
15 31, 1969, inclusive: *Provided*, That none of the funds
16 herein appropriated shall be used to pay the salaries or
17 expenses of any regional information employees or any
18 State information employees, but this shall not preclude the
19 answering of inquiries or supplying of information at the
20 county level to individual farmers: *Provided further*, That
21 no portion of the funds for the current year's program may
22 be utilized to provide financial or technical assistance for
23 drainage on wetlands now designated as Wetland Types 3
24 (III), 4 (IV), and 5 (V) in United States Department of
25 the Interior, Fish and Wildlife Circular 39, Wetlands of

1 the United States, 1956: *Provided further*, That necessary
2 amounts shall be available for administrative expenses in
3 connection with the formulation and administration of the
4 1970 program of soil-building and soil- and water-conserving
5 practices, including related wildlife conserving practices and
6 pollution abatement practices, under the Act of February 29,
7 1936, as amended (amounting to \$195,500,000, excluding
8 administration, except that no participant shall receive more
9 than \$2,500, except where the participants from two or more
10 farms or ranches join to carry out approved practices designed
11 to conserve or improve the agricultural resources of the com-
12 munity) : *Provided further*, That not to exceed 5 per centum
13 of the allocation for the current year's agricultural conserva-
14 tion program for any county may, on the recommendation
15 of such county committee and approval of the State com-
16 mittee, be withheld and allotted to the Soil Conservation
17 Service for services of its technicians in formulating and
18 carrying out the agricultural conservation program in the
19 participating counties, and shall not be utilized by the Soil
20 Conservation Service for any purpose other than technical
21 and other assistance in such counties, and in addition, on the
22 recommendation of such county committee and approval
23 of the State committee, not to exceed 1 per centum may be
24 made available to any other Federal, State, or local public
25 agency for the same purpose and under the same conditions:

1 *Provided further*, That for the current year's program \$2,-
2 500,000 shall be available for technical assistance in formu-
3 lating and carrying out agricultural conservation practices:
4 *Provided further*, That such amounts shall be available for
5 the purchase of seeds, fertilizers, lime, trees, or any other
6 farming material, or any soil-terracing services, and making
7 grants thereof to agricultural producers to aid them in carry-
8 ing out farming practices approved by the Secretary under
9 programs provided for herein: *Provided further*, That no
10 part of any funds available to the Department, or any bureau,
11 office, corporation, or other agency constituting a part of
12 such Department, shall be used in the current fiscal year
13 for the payment of salary or travel expenses of any person
14 who has been convicted of violating the Act entitled "An
15 Act to prevent pernicious political activities", approved
16 August 2, 1939, as amended, or who has been found in
17 accordance with the provisions of title 18, United States
18 Code, section 1913, to have violated or attempted to violate
19 such section which prohibits the use of Federal appropria-
20 tions for the payment of personal services or other expenses
21 designed to influence in any manner a Member of Congress
22 to favor or oppose any legislation or appropriation by Con-
23 gress except upon request of any Member or through the
24 proper official channels.

1 CROPLAND ADJUSTMENT PROGRAM

2 For necessary expenses to carry into effect a cropland
3 adjustment program as authorized by the Food and Agri-
4 culture Act of 1965 (7 U.S.C. 1838), \$78,000,000: *Pro-*
5 *vided*, That no additional agreements are authorized for fiscal
6 year 1970.

7 CONSERVATION RESERVE PROGRAM

8 For necessary expenses to carry out a conservation
9 reserve program as authorized by subtitles B and C of the
10 Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and
11 1816), and to carry out liquidation activities for the acreage
12 reserve program, to remain available until expended,
13 \$37,500,000, with which may be merged the unexpended
14 balances of funds heretofore appropriated for soil bank pro-
15 grams: *Provided*, That no part of these funds shall be paid
16 on any contract which is illegal under the law due to the
17 division of lands for the purpose of evading limits on annual
18 payments to participants.

19 EMERGENCY CONSERVATION MEASURES

20 For emergency conservation measures, to be used for the
21 same purposes and subject to the same conditions as funds
22 appropriated under this head in the Third Supplemental
23 Appropriation Act, 1957, to remain available until expended,
24 \$5,000,000, with which shall be merged the unexpended

1 balances of funds heretofore appropriated for emergency
2 conservation measures.

3 INDEMNITY PAYMENTS TO DAIRY FARMERS

4 For necessary expenses to carry out the provisions of
5 the Act of August 13, 1968 (Public Law 90-484),
6 \$200,000: *Provided*, That none of the funds contained in
7 this Act shall be used to make indemnity payments to any
8 farmer whose milk was removed from commercial markets
9 as a result of his willful failure to follow procedures pre-
10 scribed by the Federal Government.

11 RURAL COMMUNITY DEVELOPMENT SERVICE

12 SALARIES AND EXPENSES

13 For necessary expenses, not otherwise provided for, of
14 the Rural Community Development Service in providing
15 leadership and related services in carrying out the rural
16 areas development activities of the Department, \$450,-
17 000: *Provided*, That not to exceed \$3,000 shall be avail-
18 able for employment under 5 U.S.C. 3109.

19 OFFICE OF THE INSPECTOR GENERAL

20 SALARIES AND EXPENSES

21 For necessary expenses of the Office of the Inspector
22 General, including employment pursuant to the second
23 sentence of section 706 (a) of the Organic Act of 1944 (7

1 U.S.C. 2225), and not to exceed \$10,000 for employment
2 under 5 U.S.C. 3109, \$13,389,000.

3 PACKERS AND STOCKYARDS ADMINISTRATION

4 SALARIES AND EXPENSES

5 For expenses necessary for administration of the Pack-
6 ers and Stockyards Act, as authorized by law, including field
7 employment pursuant to section 706 (a) of the Organic Act
8 of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for em-
9 ployment under 5 U.S.C. 3109, \$3,200,000.

10 OFFICE OF THE GENERAL COUNSEL

11 SALARIES AND EXPENSES

12 For necessary expenses, including payment of fees or
13 dues for the use of law libraries by attorneys in the field
14 service, \$5,000,000.

15 OFFICE OF INFORMATION

16 SALARIES AND EXPENSES

17 For necessary expenses of the Office of Information for
18 the dissemination of agricultural information and the coordi-
19 nation of informational work and programs authorized by
20 Congress in the Department, \$2,106,000, of which total
21 appropriation not to exceed \$612,000 may be used for
22 farmers' bulletins, which shall be adapted to the interests
23 of the people of the different sections of the country, an

1 equal proportion of four-fifths of which shall be available
2 to be delivered to or sent out under the addressed franks
3 furnished by the Senators, Representatives, and Delegates
4 in Congress, as they shall direct (7 U.S.C. 417), and not
5 less than two hundred and thirty-two thousand two hundred
6 and fifty copies for the use of the Senate and House of Rep-
7 resentatives of part 2 of the annual report of the Secretary
8 (known as the Yearbook of Agriculture) as authorized by
9 section 73 of the Act of January 12, 1895 (44 U.S.C. 241) :
10 *Provided*, That in the preparation of motion pictures or
11 exhibits by the Department, this appropriation shall be
12 available for employment pursuant to the second sentence
13 of section 706 (a) of the Organic Act of 1944 (7 U.S.C.
14 2225), and not to exceed \$10,000 shall be available for
15 employment under 5 U.S.C. 3109.

16 NATIONAL AGRICULTURAL LIBRARY

17 SALARIES AND EXPENSES

18 For necessary expenses of the National Agricultural
19 Library, \$3,200,000: *Provided*, That this appropriation
20 shall be available for employment pursuant to the second
21 sentence of section 706 (a) of the Organic Act of 1944 (7
22 U.S.C. 2225), and not to exceed \$35,000 shall be available
23 for employment under 5 U.S.C. 3109.

1 OFFICE OF MANAGEMENT SERVICES

2 SALARIES AND EXPENSES

3 For necessary expenses to enable the Office of Manage-
4 ment Services to provide management support services to
5 selected agencies and offices of the Department of Agricul-
6 ture, \$3,000,000.

7 GENERAL ADMINISTRATION

8 SALARIES AND EXPENSES

9 For necessary expenses of the Office of the Secretary of
10 Agriculture and for general administration of the Department
11 of Agriculture, repairs and alterations, and other miscel-
12 laneous supplies and expenses not otherwise provided for
13 and necessary for the practical and efficient work of the
14 Department of Agriculture, and not to exceed \$5,000 for
15 employment under 5 U.S.C. 3109, \$4,838,000: *Provided*,
16 That this appropriation shall be reimbursed from applicable
17 appropriations for travel expenses incident to the holding
18 of hearings as required by 5 U.S.C. 551-558: *Provided*
19 *further*, That not to exceed \$2,500 of this amount shall be
20 available for official reception and representation expenses,
21 not otherwise provided for, as determined by the Secretary:
22 *Provided further*, That not to exceed \$250,000 of funds
23 contained in the Working Capital Fund established under
24 authority of Public Law 78-129 may be used to carry out
25 responsibilities under the Civil Rights Act of 1964.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

LOAN AUTHORIZATIONS

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act, and to remain available without fiscal year limitation in accordance with section 3 (e) of said Act, as follows: rural electrification program, \$320,000,000, and rural telephone program, \$123,300,000.

SALARIES AND EXPENSES

For administrative expenses, including not to exceed \$500 for financial and credit reports, funds for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 for employment under 5 U.S.C. 3109, \$13,429,000.

FARMERS HOME ADMINISTRATION

DIRECT LOAN ACCOUNT

Direct loans and advances under subtitles A and B, and advances under section 335 (a) for which funds are not otherwise available, of the Consolidated Farmers Home Ad-

1 ministration Act of 1961 (7 U.S.C. 1921), as amended,
2 may be made from funds available in the Farmers Home
3 Administration direct loan account as follows: real estate
4 loans, \$83,000,000, and operating loans, \$275,000,000.

5 RURAL HOUSING DIRECT LOAN ACCOUNT

6 For direct loans and related advances pursuant to section
7 518 (d) of the Housing Act of 1949 (42 U.S.C. 1488),
8 \$30,000,000 shall be available from funds in the rural hous-
9 ing direct loan account. Hereafter, farmer applicants for
10 direct or insured rural housing loans shall be required to pro-
11 vide only such collateral security as is required of owners
12 of nonfarm tracts.

13 EMERGENCY CREDIT REVOLVING FUND

14 (DISASTER LOANS)

15 For an additional amount for the Emergency Credit
16 Revolving Fund, as authorized by the Act of August 8, 1961
17 (7 U.S.C. 1967), \$31,918,000.

18 RURAL WATER AND WASTE DISPOSAL GRANTS

19 For grants pursuant to sections 306 (a) (2) and 306
20 (a) (6) of the Consolidated Farmers Home Administration
21 Act of 1961, as amended (7 U.S.C. 1926), \$40,000,000.

22 RURAL HOUSING FOR DOMESTIC FARM LABOR

23 For financial assistance to public nonprofit organiza-
24 tions for housing for domestic farm labor, pursuant to section

1 516 of the Housing Act of 1949, as amended (42 U.S.C.
2 1486), \$1,250,000, to remain available until expended.

3 MUTUAL AND SELF-HELP HOUSING

4 For grants pursuant to section 523 (b) (1) (A) of the
5 Housing Act of 1949 (42 U.S.C. 1490c), \$1,250,000, to
6 remain available until expended.

7 SELF-HELP HOUSING LAND DEVELOPMENT FUND

8 For direct loans pursuant to section 523 (b) (1) (B) of
9 the Housing Act of 1949 (42 U.S.C. 1490c) and related
10 advances, \$600,000, to remain available until expended.

11 SALARIES AND EXPENSES

12 For necessary expenses of the Farmers Home Adminis-
13 tration, not otherwise provided for, in administering the
14 programs authorized by the Consolidated Farmers Home
15 Administration Act of 1961 (7 U.S.C. 1921-1991),
16 as amended, title V of the Housing Act of 1949, as amended
17 (42 U.S.C. 1471-1490c), the Rural Rehabilitation Corpo-
18 ration Trust Liquidation Act, approved May 3, 1950 (40
19 U.S.C. 440-444), and for carrying out the responsibilities
20 of the Secretary of Agriculture under sections 235 and 236 of
21 the National Housing Act, as amended (12 U.S.C. 1715z-
22 1715z-1), and section 701 of the Housing Act of 1954, as
23 amended (40 U.S.C. 461), \$65,000,000, together with not
24 more than \$2,250,000 of the charges collected in connection

1 with the insurance of loans as authorized by section 309 (e)
2 of the Consolidated Farmers Home Administration Act of
3 1961, as amended, and section 514 (b) (3) of the Housing
4 Act of 1949, as amended: *Provided*, That, in addition, not to
5 exceed \$500,000 of the funds available for the various pro-
6 grams administered by this agency may be transferred to this
7 appropriation for temporary field employment pursuant to
8 the second sentence of section 706 (a) of the Organic Act of
9 1944 (7 U.S.C. 2225) to meet unusual or heavy work loan
10 increases: *Provided further*, That no part of any funds in this
11 paragraph may be used to administer a program which
12 makes rural housing grants pursuant to section 504 of the
13 Housing Act of 1949, as amended.

14 TITLE III—CORPORATIONS

15 The following corporations and agencies are hereby
16 authorized to make such expenditures, within the limits of
17 funds and borrowing authority available to each such cor-
18 poration or agency and in accord with law, and to make
19 such contracts and commitments without regard to fiscal
20 year limitations as provided by section 104 of the Govern-
21 ment Corporation Control Act, as amended, as may be
22 necessary in carrying out the programs set forth in the
23 budget for the current fiscal year for such corporation or
24 agency, except as hereinafter provided:

1 FEDERAL CROP INSURANCE CORPORATION

2 ADMINISTRATIVE AND OPERATING EXPENSES

3 For administrative and operating expenses, \$12,000,000.

4 FEDERAL CROP INSURANCE CORPORATION FUND

5 Not to exceed \$1,648,000 of administrative and operat-
6 ing expenses may be paid from premium income.

7 SUBSCRIPTION TO CAPITAL STOCK

8 To enable the Secretary of the Treasury to subscribe
9 and pay for capital stock of the Federal Crop Insurance
10 Corporation, as provided in section 504 of the Federal Crop
11 Insurance Act (7 U.S.C. 1504), \$10,000,000.

12 COMMODITY CREDIT CORPORATION

13 REIMBURSEMENT FOR NET REALIZED LOSSES

14 To reimburse the Commodity Credit Corporation for
15 net realized losses sustained in prior years but not previously
16 reimbursed, pursuant to the Act of August 17, 1961 (15
17 U.S.C. 713a-11, 713a-12), in the following amounts: fiscal
18 year 1961, \$57,047,170; fiscal year 1967, \$2,210,668,971;
19 fiscal year 1968, \$2,698,217,859; in total, \$4,965,934,000:
20 *Provided*, That no funds appropriated by this Act shall be
21 used to formulate or administer programs for the sale of
22 agricultural commodities pursuant to title I of Public Law
23 480, 83d Congress, as amended, to any nation which sells or
24 furnishes or which permits ships or aircraft under its registry

1 to transport to North Vietnam any equipment, materials or
2 commodities, so long as North Vietnam is governed by a
3 Communist regime.

4 LIMITATION ON ADMINISTRATIVE EXPENSES

5 Nothing in this Act shall be so construed as to prevent
6 the Commodity Credit Corporation from carrying out any
7 activity or any program authorized by law: *Provided*, That
8 not to exceed \$31,500,000 shall be available for administra-
9 tive expenses of the Corporation: *Provided further*, That
10 \$945,000 of this authorization shall be available only to
11 expand and strengthen the sales program of the Corpora-
12 tion pursuant to authority contained in the Corporation's
13 charter: *Provided further*, That not less than 7 per centum
14 of this authorization shall be placed in reserve to be ap-
15 portioned pursuant to section 3679 of the Revised Statutes,
16 as amended, for use only in such amounts and at such times
17 as may become necessary to carry out program operations:
18 *Provided further*, That all necessary expenses (including
19 legal and special services performed on a contract or fee
20 basis, but not including other personal services) in connec-
21 tion with the acquisition, operation, maintenance, improve-
22 ment, or disposition of any real or personal property
23 belonging to the Corporation or in which it has an interest,

1 including expenses of collections of pledged collateral, shall
2 be considered as nonadministrative expenses for the purposes
3 hereof.

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5 For expenses during the current fiscal year, not other-
6 wise recoverable, and unrecovered prior years' costs, includ-
7 ing interest thereon, under the Agricultural Trade Develop-
8 ment and Assistance Act of 1954, as amended (7 U.S.C.
9 1701-1710, 1721-1725, 1731-1736d), to remain available
10 until expended, as follows: (1) sale of agricultural commod-
11 ities for foreign currencies and for dollars on credit terms
12 pursuant to title I of said Act, \$400,000,000; and (2) com-
13 modities disposed of and other costs incurred in connection
14 with donations abroad, pursuant to title II of said Act,
15 \$500,000,000.

16 BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

17 For unrecovered prior years' costs related to strategic
18 and other materials acquired as a result of barter or exchange
19 of agricultural commodities or products and transferred to
20 the supplemental stockpile pursuant to the Act of May 28,
21 1956, as amended (7 U.S.C. 1856), \$750,000, to remain
22 available until expended.

1 TITLE IV—RELATED AGENCIES

2 FARM CREDIT ADMINISTRATION

3 LIMITATION ON ADMINISTRATIVE EXPENSES

4 Not to exceed \$3,628,000 (from assessments collected
5 from farm credit agencies) shall be obligated during the
6 current fiscal year for administrative expenses.

7 TITLE V—GENERAL PROVISIONS

8 SEC. 501. Within the unit limit of cost fixed by law,
9 appropriations and authorizations made for the Department
10 under this Act shall be available for the purchase, in addi-
11 tion to those specifically provided for, of not to exceed five
12 hundred and thirty (530) passenger motor vehicles, of
13 which four hundred and sixty-eight (468) shall be for
14 replacement only, and for the hire of such vehicles.

15 SEC. 502. Provisions of law prohibiting or restricting
16 the employment of aliens shall not apply to employment
17 under the appropriation for the Foreign Agricultural Service.

18 SEC. 503. Funds available to the Department of Agri-
19 culture shall be available for uniforms or allowances therefor
20 as authorized by law (5 U.S.C. 5901–5902).

21 SEC. 504. No part of the funds appropriated by this
22 Act shall be used for the payment of any officer or employee
23 of the Department who, as such officer or employee, or on
24 behalf of the Department or any division, commission, or
25 bureau thereof, issues, or causes to be issued, any prediction,

1 oral or written, or forecast, except as to damage threatened
2 or caused by insects and pests, with respect to future prices
3 of cotton or the trend of same.

4 SEC. 505. Except to provide materials required in or
5 incident to research or experimental work where no suitable
6 domestic product is available, no part of the funds appro-
7 priated by this Act shall be expended in the purchase of
8 twine manufactured from commodities or materials produced
9 outside of the United States.

10 SEC. 506. Not less than \$1,500,000 of the appropriations
11 of the Department for research and service work authorized
12 by the Acts of August 14, 1946, July 28, 1954, and Septem-
13 ber 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-
14 1893), shall be available for contracting in accordance with
15 said Acts.

16 SEC. 507. No part of any appropriation contained in this
17 Act shall remain available for obligation beyond the current
18 fiscal year unless expressly so provided herein.

19 SEC. 508. None of the funds in this Act shall be avail-
20 able to finance interdepartmental boards, commissions, coun-
21 cils, committees, or similar groups under sec. 214 of the Inde-
22 pendent Offices Appropriation Act, 1946 (31 U.S.C. 691)
23 which do not have prior and specific Congressional approval
24 of such method of financial support.

25 SEC. 509. No part of the funds appropriated under this

1 Act shall be used to pay salaries of any Federal employee
2 who is convicted in any Federal, State, or local court of
3 competent jurisdiction, of inciting, promoting, or carrying on
4 a riot, or any group activity resulting in material damage to
5 property or injury to persons, found to be in violation of
6 Federal, State, or local laws designed to protect persons or
7 property in the community concerned.

8 SEC. 510. Positions in the agencies covered by this Act,
9 whether financed from funds contained in this Act or from
10 other sources, may be filled during the fiscal year 1970 with-
11 out regard to the provisions of section 201 of Public Law 90-
12 364, and such positions shall not be taken into considera-
13 tion in determining numbers of employees under subsection
14 (a) of that section or numbers of vacancies under subsection
15 (b) of that section.

16 This Act may be cited as the "Department of Agricul-
17 ture and Related Agencies Appropriation Act, 1970".

Passed the House of Representatives May 27, 1969.

Attest:

W. PAT JENNINGS,

Clerk.

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

MAY 29, 1969

Read twice and referred to the Committee on Appropriations

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued June 26, 1969
For actions of June 25, 1969
91st-1st No. 105

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HIGHLIGHTS. Senate committee reported agricultural appropriation bill. Senate passed continuing appropriation bill. Senate committee reported disaster relief bill. Senate passed duty suspension bill amended to continue surcharge tax. House committee voted to report Calif. wilderness bill. Sen. Muskie introduced and discussed intergovernmental revenue bill. Rep. Poage introduced farm bill.

SENATE

1. APPROPRIATIONS. Passed without amendment H. J. Res. 790, making continuing appropriations (until Oct. 31, 1969) for fiscal year 1970 (p. S7115). The bill was reported earlier by the Appropriations Committee (S. Rept. 91-274). This bill will now be sent to the President.

The Appropriations Committee reported with amendments H. R. 11612, the Agricultural appropriation bill for 1970 (S. Rept. 91-227). p. S7099

The Appropriations Committee reported with amendments H. R. 11582, the Treasury-Post Office appropriation bill for 1970 (S. Rept. 91-278) (p. S7099). The "Daily Digest" states "as approved by the committee, the bill would appropriate a total of \$8,787,208,000, an increase of \$7,863,000 over the House-passed total of \$8,779,345,000" (p. D550).

2. EXPORTS. The Banking and Currency Committee reported without amendment S. J. Res. 122, to provide for a temporary extension of the authority conferred by the Export Control Act of 1949 (S. Rept. 91-275). p. S7099

3. NATIONAL PARKS. The Interior and Insular Affairs Committee reported with amendments S. 621, to provide for the establishment of the Apostle Islands National Lakeshore in Wisc. (S. Rept. 91-276). p. S7099

4. TARIFF; TAXATION. Passed with amendment H. R. 4229, to continue for a temporary period the existing suspension of duty on heptanoic acid, and to continue for one month the existing rates of withholding of income tax (pp. S7114-9). The bill was reported earlier with an amendment to continue for 1 month the existing rates of withholding of income tax (including withholding of surcharge tax) by the Finance Committee (S. Rept. 91-279) (p. S7099).

Sen. Metcalf opposed extending the surtax without tax reform legislation. p. S7087

5. DISASTER RELIEF. The Public Works Committee reported with amendment S. 1685, to provide additional assistance for areas suffering a major disaster (S. Rept. 91-280). p. S7099

6. DATA PROCESSING. Both Houses received from GAO a report on the study of the acquisition of peripheral equipment for use with automatic data processing systems; to Government Operations Committees. pp. H5311, S7098

7. POVERTY. Received from GAO a report on the Cispus Job Corps Civilian Conservation Center Under the Economic Opportunity Act, 1964, Randle, Wash., USDA, OEO, June 25, 1969. p. S7098

8. CONSERVATION. Sen. Yarborough corrected a clerical error which had omitted names of certain co-sponsors of S. 1790, the Great Plains conservation bill, when it was reported by Agriculture and Forestry Committee June 24. pp. S7113-4

Sen. Nelson commended and inserted a speech by the second vice president of the League of Women Voters of the U. S., at the recent North American wildlife and natural resources conference in Washington on "Broadening Conservation's Constituency." pp. S7163-5

Calendar No. 269

91ST CONGRESS }
1st Session

SENATE }

REPORT
No. 91-277

DEPARTMENT OF AGRICULTURE AND RELATED AGEN- CIES APPROPRIATION BILL, 1970

JUNE 25, 1969.—Ordered to be printed

Mr. HOLLAND, from the Committee on Appropriations, submitted
the following

REPORT

[To accompany H.R. 11612]

The Committee on Appropriations, to which was referred the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed House—total new (obligational) authority-----	\$6, 806, 655, 000
Amount of increase by Senate committee—New (obligational) authority-----	830, 142, 650
Amount of bill as reported to Senate—New (obligational) authority-----	7, 636, 797, 650
Amount of 1969 appropriation act—Budget (obligational) authority to date-----	8, 178, 899, 650
Amount of estimates, 1970—New (obligational) authority-----	6, 967, 562, 050
The bill as reported to the Senate:	
Under the appropriation act for 1969-----	542, 102, 000
Over the estimates for 1970—New (obligational) authority-----	669, 235, 600

GENERAL SUMMARY STATEMENT

The Senate bill, as recommended by the committee, recommends \$7,636,797,650 of new obligational authority, representing a net increase by the committee over the House bill of \$830,142,650 and an increase over the estimates totaling \$6,967,562,050 of \$669,235,600. The comparative amounts of new budget obligational authority for the 1969 Appropriation Act, the estimates for 1970, and the House bill for 1970 compared with the committee recommendations are shown in the following table by titles of the bill.

Item	1969 Appropriation Act	1970 budget estimates	1970 House bill	1970 Senate committee
Title I—General activities.....	\$1,896,447,650	\$1,691,088,050	\$1,881,416,000	\$2,393,958,650
Title II—Credit agencies.....	554,485,000	610,632,000	596,747,000	628,847,000
Title III—Corporations.....	5,727,967,000	4,665,842,000	4,328,492,000	4,613,992,000
Title IV—Related agencies ¹	(3,436,000)	(3,628,000)	(3,628,000)	(3,628,000)
Total.....	8,178,899,650	6,967,562,050	6,806,655,000	7,636,797,650

¹ Farm Credit Administration limitation.

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

The Agricultural Research Service is the principal research agency within the Department of Agriculture and is responsible within the Department for the conduct of a number of research programs which include (a) farm research, (b) utilization research and development, (c) marketing research, (d) nutrition and consumer use research, and (e) overseas research conducted under the special foreign currency program, which is financed under a separate appropriation item.

RESEARCH

1969 new obligational (budget) authority (to date).....	¹ \$144,118,300
1970 budget estimate (budget) obligational authority.....	¹ 145,631,300
House bill, 1970.....	¹ 145,182,000
Senate committee recommendation.....	¹ 149,452,000

¹ Includes transfer of \$15,000,000 from section 32.

The committee recommends an appropriation of \$149,452,000, including a \$15 million transfer from section 32, for the conduct of the research program during fiscal 1970. The appropriation recommended is \$5,333,700 over the 1969 Appropriation Act and is \$4,270,000 over the House bill, and \$3,820,700 over the budget.

The committee recommends \$3,261,000 for the special cost-cutting research program on cotton. This is an increase of \$1 million for the accelerated research program authorized several years ago.

The committee directs the Department to spend from available funds up to \$80,000 to expand research on the horticultural speciality crops in the Appalachian region, where the wholesale value of these crops exceeds \$200 million. The committee also directs the Department to thoroughly review and report on the needs of this line of research prior to the hearings next year.

The committee has included some increases for research and the construction or enlargement of existing facilities for which planning funds were appropriated 2 years ago. The budget estimate did not include construction funds for these facilities or for the wool utilization laboratory at Albany, Calif., and other construction items for which the detailed plans are almost complete, as a result of funding provided in the 1968 appropriation act. It is expected that next year's budget request will include a request for construction of these facilities.

The Committee has also recommended planning for such priority soil and water conservation research facilities, with funds to be derived from the contingency research fund.

The several items of research activity for which additional funding was requested, or for which funds have been included by the House or recommended by the committee are shown in the comparative table below:

SUMMARY OF RESEARCH CHANGES AND RECOMMENDATIONS FOR FISCAL 1970

Description of activity	1969 appropriation act (1)	1970 budget estimates (2)	House bill 1970 (3)	Committee recommendations (4)
(1) Improve methods to control avian leukosis in poultry----	\$737,500	\$912,500	\$837,500	\$912,500
(2) Expansion of remote sensing research-----	265,000	530,000	265,000	265,000
(3) Food and nutrition research:				
(a) Food and nutrition research studies-----	300,000	657,000	300,000	657,000
(b) Update handbook on nutrition "Family Fare"-----			100,000	
(4) Cane sugar refining research-----			50,000	
(5) Bovine mastitis and abnormal milk research-----	454,200	454,200	504,200	554,200
(6) Wholesaling and retailing research-----			100,000	100,000
(7) Staffing of Water Quality Research Laboratory, Durant, Okla-----	47,000	47,000	147,000	147,000
(8) Pesticide coordination fund:				
Amount for ARS "Research"-----	117,000	100,000	100,000	100,000
Transfers to--				
"Salaries and expenses, Office of Information"-----	58,000		58,000	58,000
(9) "Plant and animal disease and pest control" subappropriation-----	50,000		50,000	50,000
Subtotal-----	225,000	100,000	208,000	208,000
Balance of 1969 reductions under Public Law 90-364 lapsing-----	13,000		13,000	
(10) Research acceleration: Development funds for the U.S. Meat Animal Research Center, Clay Center, Nebr-----	667,100	667,100	667,100	1,667,100
(11) Research on sunflower to improve varieties with high oil content and to breed disease resistant and improved varieties-----	76,300	76,300	76,300	186,300
(12) Improve research methods and controls on aquatic weeds-----	324,900	324,900	324,900	449,900
(13) Completion of financing on Israeli oat research on Avena sterilis, and on oat foliage-----	41,000	41,000	41,000	131,000
(14) Acceleration of cooperatively financed basic sugarcane research in Hawaii-----	56,100			60,000
(15) Acceleration of sterile codling moth release program (3-year program)-----	258,200	258,200	258,200	408,200
(16) Acceleration of research on Caribbean fruit fly-----	83,000	83,000	83,000	133,000
(17) Upgrading quality of processed peaches-----				185,000
(18) Pollution research concerned with animal waste management-----	536,800	536,800	536,800	786,800

See footnotes at end of table, p. 4.

SUMMARY OF RESEARCH CHANGES AND RECOMMENDATIONS FOR FISCAL 1970—Con.

Description of activity	1969 appropriation act (1)	1970 budget estimates (2)	House bill 1970 (3)	Committee recommendations (4)
(19) Acceleration of special cost-cutting research program on cotton-----	2,261,000	2,261,000	2,261,000	3,261,000
(20) Facilities: Planning and construction: Soil-Water-Plant Research Laboratory, Ithaca, N.Y., and Soil and Water Research Laboratory, Akron, Colo.-----			50,000	2 50,000
(21) Construction and modernization of research facilities, Beltsville, Md.-----		975,000	300,000	975,000
(22) Extension of facilities, Soil and Water Research Water Research Laboratory, Morris, Minn.-----			360,000	360,000
(23) Extension of facilities for ornamental research at Corvallis, Oreg., and Puyallup, Wash.-----				306,000
(24) Soil and water research facility, Orono, Maine-----				450,000
(25) Planning at Rapid City, S. Dak., of regional water resource facility, in conjunction with field investigations at Newell, S. Dak.-----				(2)
(26) Planning for expansion of soil and Water research facility, Baton Rouge, La.-----				(2)

¹ In addition, \$100,000 shall be used for restoring the scope of the original projects for research on wholesaling and retailing, to be derived from the contingency research fund.

² Funds for planning these facilities and additions thereto are to be derived by transfer from the contingency research fund in amounts not to exceed \$165,000, of which not less than \$40,000 shall be made available for Akron, Colorado.

PLANT AND ANIMAL DISEASE AND PEST CONTROL

1969 new budget (obligational) authority (to date)-----	\$86,639,500
1970 budget estimates—New (obligational) authority-----	91,176,500
House bill—New (obligational) authority-----	89,493,000
Committee recommendation—New (obligational) authority-----	92,126,500

The appropriations recommended under this heading are used by the Department to conduct a wide range of regulatory plant and animal disease and pest control programs. Most of the funds appropriated are for the purpose of eradicating plant pest insects and animal diseases which have been introduced to the United States, or to supervise the import and export of plants and animals and to carry out a plant and animal quarantine service at ports of entry. Funds are also provided to administer various regulatory acts, such as pesticide regulations, the Virus-Serum-Toxin Act, eradication of hog cholera and a new act entitled the "Laboratory Animal Welfare Act of 1966" (Public Law 89-544).

The committee recommends an appropriation of \$92,126,500 for fiscal 1970. This is an increase of \$5,487,000 over the 1969 appropriation, an increase of \$2,633,500 over the House bill, and \$950,000 over the budget estimate.

The committee concurs in the House report statement proposing that the contingency fund for emergency outbreaks of plant pests be expanded to include its use for animal insect pests, with the understanding that at least \$1 million of the \$1,500,000 fund be reserved for plant and related insect pests.

An appropriation of \$5,191,700 is recommended for the Cooperative Hog Cholera Eradication Program. This is the amount of the budget estimate, the amount carried in the House bill, and an increase of \$750,000 over the appropriation for 1969. The increase of \$750,000 will

provide \$600,000 additional for indemnity payments, and an estimated \$150,000 to purchase a supply of anti-hog-cholera serum for standby purposes in the event of a widespread epidemic.

The goal for complete eradication is at the end of 1972, and in recognition of that goal, the live virus vaccines are to be withdrawn in accordance with current program regulations. In some instances, after the vaccines are withdrawn, there may be an outbreak of hog cholera.

The increased funds recommended in this bill will enable the Department to meet its share of indemnity payments promptly in order to dispose of infected herds, and the anti-hog-cholera serum will be available for standby purposes in the event of an epidemic outbreak.

The committee has recommended an appropriation of \$6,036,200 for the cooperative fire-ant program. This is an increase of \$1 million over the 1969 act, the estimate for 1970 and the House bill. The increased funds will be available for acceleration of eradication activities.

The committee recommends an appropriation of \$2 million for construction of new animal quarantine facilities at Fort Tilden, N.Y., to replace the outmoded facility at Clifton, N.J. The appropriation of \$2 million plus \$526,600 realized from the sale of the existing facility is expected to meet the full cost of constructing the new facility.

The following table shows comparisons between 1969 appropriations, the estimates and recommendations in the House bill, together with amounts recommended for the several program changes under this item:

Item(s) of change for 1970	1969 appropriation act	1970 budget estimates	House bill, 1970	Committee recommendations
	(1)	(2)	(3)	(4)
Total plant and animal disease and pest control.....	\$86,639,500	\$91,176,500	\$89,493,000	\$92,126,500
Changes from 1969 appropriation.....		+4,537,000	+2,853,500	+5,487,000
(1)				
Increased workload in mandatory plant quarantine inspection at ports of entry.....	12,466,200	12,685,200	12,566,200	12,685,200
(2)				
Increased workload in mandatory animal inspection and quarantine at ports of entry.....	2,406,200	2,768,200	2,566,200	2,768,200
(3)				
Cooperative activities with Central America on foot-and-mouth disease and rinderpest.....		136,000	100,000	136,000
(4)				
Expanded regulatory activities under the Virus-Serum-Toxin Act.....	2,528,300	2,644,300	2,577,800	2,644,300
(5)				
(a) Expanded enforcement activities under the Federal Insecticide, Fungicide, and Rodenticide Act, as amended.....	3,806,100	4,106,100	3,906,100	4,106,100
(b) Pesticides coordination fund. Transfer from ARS "Research".....	50,000	50,000		
(6)				
Screw-worm control program.....	5,209,300	5,959,300	5,959,300	5,959,300
(7)				
Cooperative hog cholera eradication program.....	4,441,700	5,191,700	5,191,700	5,191,700
(8)				
Cooperative fire ant eradication program.....	5,036,200	5,036,200	5,036,200	6,036,200
(9)				
Construction of animal quarantine facilities in New York-New Jersey port and airport area.....		2,000,000	1,000,000	2,000,000

¹ Does not reflect transfer in 1959 of \$146,000 to the General Services Administration for space rental costs.

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

1969 new budget (obligational) authority (to date).....	\$4,500,000
1970 budget estimates of new (obligational) authority.....	8,287,000
House bill—New (obligational) authority.....	4,500,000
Committee recommendation—New (obligational) authority.....	5,500,000

Overseas research utilizing foreign currencies under section 104(b) (1) and (3) of Public Law 480, as amended, supplements and complements research conducted in the United States and financed by regular dollar appropriations. These foreign research projects do not duplicate or displace domestic research conducted by the Department or its cooperators. Since these projects are of mutual interest to the United States and the host countries, in addition to developing scientific information of great importance to American agriculture, the research under this program is making a contribution to the solution of agricultural problems of the lesser developed countries in which it is carried out.

An appropriation of \$5,500,000 is recommended for the coming fiscal year. This is \$1 million over the 1969 appropriation, \$1 million over the House bill, and \$2,787,000 under the budget estimate.

The restored amount, together with carryover of \$600,000, will provide a program level of \$6,100,000, which is slightly above the current year.

COOPERATIVE STATE RESEARCH SERVICE

PAYMENTS AND EXPENSES

1969 new budget (obligational) authority-----	\$59, 105, 000
1970 budget estimates—New (obligational) authority-----	63, 730, 000
House bill—New (obligational) authority-----	61, 175, 000
Committee recommendation—New (obligational) authority-----	61, 710, 000

The Cooperative State Research Service was established by Secretary's Memorandum No. 1462, dated July 19, 1961, and supplement 1, dated August 31, 1961, under Reorganization Plan No. 2 of 1953. The primary function of the Service is to administer acts of Congress that authorize Federal appropriations for agricultural research carried on by the State agricultural experiment stations of the 50 States and Puerto Rico, by approved schools of forestry and nonprofit institutions.

Acts under which payments to States may be made include:

1. Agricultural Experiment Stations Act of August 11, 1955 (Hatch Act of 1887, as amended, 7 U.S.C. 361a-361i).

2. Section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623).

3. Cooperative Forestry Research Act of October 10, 1962 (16 U.S.C. 582-582a-7).

4. Act of September 6, 1958 (42 U.S.C. 1891-1893) and the Act of August 4, 1965 (7 U.S.C. 450b), authorizing grants for support of scientific research.

5. Research Facilities Act of July 22, 1963 (7 U.S.C. 390-390k).

Administration of payments and grants involves the review and approval in advance of each individual research proposal submitted by a State agricultural experiment station or other institution to be financed in whole or in part from Federal grant funds, the disbursement of the funds, and the continuous review and evaluation of research programs and expenditures thereunder. The Service also encourages and assists in the establishment and maintenance of cooperation within and between the States, and participates in the planning and coordination of research programs between the States and the U.S. Department of Agriculture.

The program coordination and planning is carried out by a Cooperative State Research Service staff located entirely in Washington, D.C.

The committee recommends a total appropriation of \$61,710,000 to finance the various programs administered by the Cooperative State Research Service, including the cost of administration. The total amount recommended is an increase of \$2,605,000 over the amount appropriated for fiscal year 1969, \$535,000 over the amount recommended in the House bill, and \$2,020,000 under the fiscal year 1970 budget request.

The specific amounts recommended are as follows:

For payments to the State experiment stations under the Hatch Act, as amended, the Senate bill includes \$55,189,000, the fiscal year 1970 budget estimate. This is \$1,335,000 over the amount recommended in the House bill and \$2,244,000 over the amount appropriated for fiscal year 1969.

The committee recommends the full budget estimate for Payments to the Agricultural Experiment Stations, and expects that the increased funds over 1969 will be used by the States for salary comparability adjustments where this is necessary.

For grants to States for cooperative forestry research, the committee recommends \$3,785,000, which is the budget request, the amount recommended in the House bill, and \$300,000 over the amount appropriated for fiscal 1969. The increase over 1969 includes funds for pay comparability adjustments.

An appropriation of \$2,150,000 is included in the Senate bill for contracts and grants for research. This is the amount of the fiscal year 1970 budget request, and \$150,000 over the amount recommended in the House bill, and the amount appropriated for fiscal year 1969.

The committee is not recommending an appropriation for grants to States for facilities. The fiscal year 1970 budget requested \$2 million and the House bill includes \$1 million for this program. The committee is still of the opinion that until such time as the program is increased to a level where the States' allocation will be sufficient to accomplish meaningful results, the program should be discontinued.

For Federal administration, the Senate committee recommends \$426,000. This is an increase of \$50,000 over the amount recommended in the House bill, \$20,000 under the budget estimate, and \$61,000 over the amount appropriated for fiscal year 1969.

EXTENSION SERVICE
PAYMENTS AND EXPENSES

Appropriation item	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	Committee recommendation
(1)	(2)	(3)	(4)	(5)
Payments to States and Puerto Rico.....	\$81,607,500	\$113,131,000	\$112,391,000	\$114,131,000
Retirement and employees' compensation costs for extension agents.....	9,318,500	10,240,000	10,000,000	10,240,000
Penalty mail.....	3,299,000	3,500,000	3,400,000	3,400,000
Federal Extension Service.....	2,838,000	4,038,000	3,338,000	3,838,000
Total, Extension Service.....	97,063,000	130,909,000	129,129,000	131,609,000

Cooperative agricultural extension work was established by the Smith-Lever Act of May 8, 1914, as amended. The legislation authorizes the Department of Agriculture to give, through the land-grant

colleges, instruction and practical demonstrations in agriculture and home economics and related subjects and to encourage the application of such information by means of demonstrations, publications, and otherwise to persons not attending or resident in the colleges. Extension educational work is also authorized under the Agricultural Marketing Act of 1946.

The basic job of the Cooperative Extension Service is to help people identify and solve their farm, home, and community problems through use of research findings of the Department of Agriculture and the State land-grant colleges, and programs administered by the Department of Agriculture.

State and county extension work is financed from Federal, State, county, and local sources. These funds are used within the States for the employment of county agents, home economics agents, 4-H Club agents, State and area specialists and others who conduct the joint educational programs adapted to local problems and conditions.

During fiscal year 1969, the Cooperative Extension Service and the District of Columbia initiated an educational program of training in home counseling, nutrition habits, and youth development to aid family units in the District of Columbia. The program was authorized by section 109 of the District of Columbia Public Education Act, as amended by Public Law 90-354. Fiscal year 1970 will be the first full year of operation for this program.

In December 1968, \$10 million of section 32 funds were allocated to Extension to employ homemaker aides to work with low-income families to help them improve the nutritional quality of their diets. The amended budget for fiscal year 1970 includes funds to continue the nutrition aide program under section 3(d) of the Smith-Lever Act in lieu of section 32 funds.

The Federal Extension Service, as a partner in the cooperative effort, has three major functions:

(1) Serves as liaison between the Department of Agriculture and the States, provides program leadership and assistance to the States in the conduct of extension work.

(2) Administers Federal laws authorizing extension work and coordinates the work among the States.

(3) Provides leadership in the coordination of the educational phases of all programs under the jurisdiction of the Department.

This work is carried out through State and county extension offices in each State, Puerto Rico, and the District of Columbia. This program is coordinated by a Federal Extension Service staff located in Washington, D.C. In addition, the Federal Extension Service has marketing specialists located at Clemson, S.C.; Raleigh, N.C.; Peoria Ill.; and Dallas, Tex., to provide special emphasis on cotton marketing and utilization.

The total amount recommended for extension payments and expenses is \$131,609,000, a net increase of \$34,546,000 over the amount appropriated for fiscal year 1969, \$2,480,000 over the House bill, and \$700,000 over the fiscal year 1970 budget estimate. Details of the committee action on the individual appropriation items are contained in the foregoing table.

An appropriation of \$83,621,000 is recommended by the committee for payments and expenses for cooperative extension work for payments to the States under sections 3(b) and 3(c) of the Smith-Lever Act. This represents an increase of \$3,540,500 over the 1969 appro-

apropriation, an increase of \$1,615,000 over the House and \$1,000,000 over the estimate. The committee expects that these additional funds will provide for pay comparability increases in those States where necessary.

The committee has approved the request in the estimate for an increased appropriation of \$30,000,000 for the new program for nutrition aides, initiated during the current year by a transfer of \$10 million from section 32. The nutrition aide program involves the use of nontechnical personnel to provide nutritional information to low-income families. Funds are allocated to the States on an administrative formula designed to meet the needs of low-income families.

The committee expects that all of the funds appropriated for the nutrition aide program will be utilized in accordance with the specific objectives as justified before the committee and not be used to employ professional workers to promote 4-H type programs. In view of the reported high incidence of malnutrition, it is essential that every effort be concentrated in promptly providing nutritional guides and related information to low-income families.

The committee has recommended an appropriation of \$10,240,000 for mandatory retirement costs for extension agents. This is the budget estimate, \$240,000 over the House bill, and \$921,500 over the amount appropriated for fiscal year 1969.

The committee recommends an appropriation of \$3,400,000 for penalty mail costs. This is the same amount recommended in the House bill, \$100,000 under the budget estimate, and \$101,000 over the amount appropriated for fiscal year 1969.

An appropriation of \$3,838,000 is recommended for expenses of the Federal Extension Service, which provides leadership and coordination service and administers the Federal laws relating to Extension work. This is \$200,000 under the budget estimate, \$500,000 over the House bill, and \$1 million over the amount appropriated for fiscal year 1969. The increase over 1969 is recommended to provide leadership and technical assistance to the expanded nutrition aide program.

FARMER COOPERATIVE SERVICE

SALARIES & EXPENSES

1969 new budget (obligational) authority to date.....	\$1, 341, 000
1970 budget estimates—New (obligational) authority.....	1, 635, 000
House bill—New (obligational) authority.....	1, 500, 000
Committee recommendation—New (obligational) authority.....	1, 635, 000

The Secretary of Agriculture established the Farmer Cooperative Service in December, 1953, after Congress, in the Farm Credit Act (Public Law 202, Aug. 6, 1953), transferred its functions from the Farm Credit Administration to the Secretary of Agriculture.

This Agency is assigned the functions of programs authorized by the Cooperative Marketing Act of July 2, 1926 (7 U.S.C. 451-457) pertaining to cooperative marketing. It is also assigned the responsibility for research relating to the economic and marketing aspects of farmer cooperatives, as authorized by the Agricultural Marketing Act of 1946.

The Farmer Cooperative Service conducts research; advises directly with cooperative leaders and others; promotes cooperative organization and development through other Federal and State agencies; and

publishes results of its research, issues news for Farmer Cooperatives, and provides other educational material.

The Farmer Cooperative Service program is directed toward helping (1) farmers get better prices for their products and reduce operating expenses, (2) rural and smalltown residents to use cooperatives to develop rural resources, (3) rural cooperatives to expend their services and operate more efficiently, and (4) all people of the Nation to understand the work of these cooperatives.

An appropriation of \$1,635,000 is recommended for next year. This is the amount of the estimate, an increase of \$294,000 over 1969, and \$135,000 over the House bill. The increased funds provide \$73,000 for pay costs and an increase of \$221,000 to expand technical assistance to farm cooperatives, as well as to administer the Agricultural Fair Trade Practices Act of 1967.

SOIL CONSERVATION SERVICE

The Soil Conservation Service was established by the act of April 27, 1935. This agency administers programs of technical assistance to soil conservation districts and other cooperators, to watershed groups and to Federal and State agencies having responsibility in providing physical adjustments in water and land use for the purpose of conserving soil and water resources. It also provides technical services for general agricultural improvements and for reducing damage resulting from flood and sedimentation.

CONSERVATION OPERATIONS

1969 new budget (obligational) authority to date.....	\$114, 893, 000
1970 budget estimates—New (obligational) authority.....	118, 786, 000
House bill—New (obligational) authority.....	118, 786, 000
Committee recommendations—New (obligational) authority.....	118, 786, 000

Under the appropriation "Conservation operations" the Soil Conservation Service provides technical assistance to farmers and ranchers. It also furnishes technical assistance to cooperators in soil and water conservation districts and to other landowners in developing plans and applying conservation treatments. It makes soil surveys to determine land capabilities and conservation treatment needs and publishes soil survey reports and maps. In the Western States it conducts snow surveys to develop streamflow forecasts as an aid to efficient seasonal use of water for irrigation and other purposes. The operation of plant material centers to test promising new species of plant materials is also financed under this appropriation heading.

An appropriation of \$118,786,000, the amount of the House bill and the budget estimate for fiscal year 1970, is recommended for conservation operations. The increase over the 1969 Appropriation Act of \$3,893,000 is for Pay Act costs.

RIVER BASIN SURVEYS AND INVESTIGATIONS

1969 new budget (obligational) authority to date.....	\$8, 780, 000
1970 budget estimates—New (obligational) authority.....	8, 187, 000
House bill—New (obligational) authority.....	8, 187, 000
Committee recommendation.....	8, 187, 000

Under this appropriation heading the funds for the conduct of cooperative river basin surveys and investigations are provided.

This program involves cooperation with other Federal agencies, and with State and local agencies in making comprehensive river basin surveys and investigations. The program is designed to assist in the development of a coordinated water resource program. The agency is represented on the Water Resources Council, river basin commissions, and river basin interagency committees for the purpose of participating in the development of a coordinated water resource program among the designated Federal agencies and the several States.

For the river basin surveys and investigations the committee recommends an appropriation of \$8,187,000—the full budget estimate and the amount carried in the House bill. This is a net decrease of \$593,000 under the amount appropriated a year ago, but will enable the program to continue at the same level, including the initiation of six new starts for type IV surveys which are conducted in cooperation with concerned State and Federal agencies.

WATERSHED PLANNING

1969 new budget (obligational) authority to date.....	\$6, 165, 000
1970 budget estimates—New (obligational) authority.....	6, 209, 000
House bill—New (obligational) authority.....	6, 209, 000
Committee recommendation—New (obligational) authority.....	5, 000, 000

Funds appropriated under this heading are used to conduct investigations and surveys of proposed watershed projects in response to requests made by sponsoring local organizations and to assist in the development of watershed work plans.

An appropriation of \$5,000,000, a decrease of \$1,209,000 under the budget estimate and the amount carried in the House bill, is recommended for "Watershed Planning" for fiscal year 1970. In addition to the appropriation, Watershed Planning funds are also provided from State and local sources. For fiscal year 1970, these matching funds are estimated at \$3,500,000, which will make a total of \$8,500,000 available for this work.

The committee has not included a limitation on the number of new planning starts, but expects the Department to utilize funds available for planning in the most constructive manner to support the program on a national basis.

WATERSHED WORKS OF IMPROVEMENT

1969 new budget (obligational) authority to date.....	\$57, 220, 000
1970 budget estimates—new (obligational) authority.....	55, 078, 000
House bill—new (obligational) authority.....	57, 873, 000
Committee recommendation.....	63, 873, 000

Under this appropriation is financed the administration of the watershed protection program including the installation of planned works of improvement in approved watershed projects to reduce erosion, floodwater, and sediment damage, and to further the development of conservation measures to utilize and dispose of water, including development of recreational facilities.

A loan limitation is also provided within the item, but the loan funds are derived from the direct loan account, Farmers Home Administration.

An appropriation of \$63,873,000 is recommended for 1970. The amount recommended is \$8,795,000 over the revised estimate of

\$55,078,000 and is \$6,000,000 over the House, and \$6,653,000 over the amount appropriated a year ago. The amount recommended will provide for not to exceed 50 new construction starts, and continue financing of ongoing projects at an average rate of \$84,000 instead of reducing it to an average of \$71,000 as proposed under the estimate. A year ago there were carryover funds of approximately \$7 million and the Committee is advised by the Department of Agriculture that these funds have all been obligated. The carryover into fiscal 1970 will be practically nonexistent.

The action of the Committee in providing additional construction funds is in further recognition of the need to provide a better balance between watershed planning versus installation and construction on approved watersheds. In the hearings, the Committee was advised that the revised budget, which decreased the original estimate by \$9 million and which increased the number of new starts from 25 to 50, would seriously impair the schedule of completion of watershed projects already under construction by sharply diminishing the average funding per ongoing project. In view of increasing costs, it is essential that all planned projects be completed as nearly on schedule as projected in the approved project work plan.

The benefits for national resource conservation and development, and water supply and recreational facilities embodied within most small watershed projects authorized under P.L. 566 has received strong support from the several States and from the sponsoring agencies. The State and local contributions now equal Federal appropriations. So far as the Committee knows, this is the only activity receiving such strong State and local financial support as shown in the following table:

STATE AND LOCAL CONTRIBUTIONS AND FEDERAL APPROPRIATIONS FOR WATERSHED WORKS OF IMPROVEMENT (FISCAL 1967-69)

Fiscal years.....	Non-Federal contributions		Total contribution	Total Federal appropriation
	State appropriations	Other non-Federal contributions		
1967.....	\$6,912,405	\$32,117,595	\$39,030,000	\$56,787,000
1968.....	10,455,002	37,423,998	47,879,000	61,300,000
1969.....	12,461,787	49,538,213	62,000,000	57,220,000

FLOOD PREVENTION

1969 new budget (obligational) authority to date.....	\$20,000,000
1970 budget estimates—New (obligational) authority.....	20,223,000
House bill—New (obligational) authority.....	20,223,000
Committee recommendation—New (obligational) authority.....	20,223,000

The Service has general responsibility for administration of the flood prevention program including the development of guiding principles and procedures. The activities conducted in the 11 authorized watersheds include: (a) planning and installing works of improvement for flood prevention and for the conservation, development, utilization, and disposal of water, including the development of recreational facilities and improvement of fish and wildlife habitat; and (b) the making of loans to local organizations to help finance the local share of the cost of carrying out planned watershed works of improvement.

An appropriation of \$20,223,000 is recommended for flood prevention activities in the 11 authorized watersheds approved under the Flood Control Act of 1944. The amount recommended is the same as the estimate and the amount carried in the House bill, and is \$223,000 over the level as provided in the Appropriation Act a year ago.

GREAT PLAINS CONSERVATION PROGRAM

1969 new budget (obligational) authority to date.....	\$16, 000, 000
1970 budget estimates—New (obligational) authority.....	14, 000, 000
House bill—New (obligational) authority.....	15, 000, 000
Committee recommendation—New (obligational) authority.....	15, 000, 000

Under this heading is financed the cost-sharing conservation program authorized by Public Law 1021, 84th Congress, under which farmers and ranchers in designated counties of the Great Plains States enter into long-term contracts to make needed land use adjustments and to install essential soil and water conservation measures specified in the basic conservation plans developed by technicians of the Soil Conservation Service.

The committee recommends an appropriation of \$15 million for the next fiscal year. This is the amount carried in the House bill and is \$1 million over the budget estimate, and a decrease of \$1 million under the appropriation for fiscal year 1969.

The amount recommended by the committee will only partially meet the backlog of unserved applications under this long-range soil conservation program. For several years the committee has recommended funds beyond the amount requested, and has again recommended a modest increase of \$1 million for the next fiscal year.

The committee recommends that the appropriate officials of the Department of Agriculture carefully review the funding requirements for the Great Plains conservation program and give due consideration to requesting adequate funds for fiscal year 1971, to enable the agency to liquidate the large backlog of approved applications for conservation assistance, and thereby place the operation of the program on a current basis.

RESOURCE CONSERVATION AND DEVELOPMENT

1969 new budget (obligational) authority to date.....	\$6, 256, 000
1970 budget estimates—New (obligational) authority.....	8, 452, 000
House bill—New (obligational) authority.....	7, 452, 000
Committee recommendation—New (obligational) authority.....	10, 252, 000

Under this appropriation is financed the resource conservation and development technical program authorized under section 102, title I, of the Food and Agriculture Act of 1962. Funds appropriated are used to conduct investigations and to make surveys in designated areas with local sponsors for the purpose of developing an overall program and plan of land conservation and utilization and resource development. Funds are also used to make loans for resource development and improvements on private lands in approved projects.

The Soil Conservation Service has been designated the operating responsibility for administering the projects heretofore approved under this program as well as the projects heretofore administered by the Farmers Home Administration under the appropriation heading of "Rural Renewal."

In carrying out the program, cooperation is obtained from other Federal agencies and departments of Government and from State and local agencies and groups which share in the planning and conduct of approved projects in accordance with their regularly assigned functions.

An appropriation of \$10,252,000 is recommended for the expenses of the consolidated resource conservation and development and rural renewal project activities for the coming fiscal year. This is an increase of \$3,996,000 over the appropriations for these activities for fiscal year 1969, an increase of \$2,800,000 over the House bill, and \$1,800,000 over the budget estimate.

The funds provided will enable the agency to provide technical assistance to 68 operating projects at the 1969 level. Increased funds will permit the completion of seven project plans initiated in fiscal 1969 and permit 12 new project plans to be initiated and completed in fiscal 1970.

ECONOMIC RESEARCH SERVICE

SALARIES AND EXPENSES

1969 new budget (obligational) authority to date-----	\$12, 789, 000
1970 budget estimates—New (obligational) authority-----	13, 562, 000
House bill—New (obligational) authority-----	13, 450, 000
Committee recommendation—New (obligational) authority-----	13, 562, 000

The Economic Research Service was established by Secretary's Memorandum No. 1446, supplement No. 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953 and other authorities. The Service develops and carries out a program of economic research designed to benefit farmers and the general public. The findings of this research are made available to farmers and others through research reports and through economic outlook and situation reports on major commodities, the national economy, and the international economy.

The principal types of research activity conducted by the agency deals with economic problems of domestic agricultural production, economic and cost analyses relating to specific agricultural commodities; and economic analyses and study of supply, demand, and trade in farm products produced in foreign countries and their impact on prospects for U.S. exports.

An appropriation of \$13,562,000 is recommended for the coming fiscal year, an increase over the House bill of \$112,000, and over the 1969 appropriation of \$773,000. This increase is comprised of \$175,000 for developing economic indicators of change in the rural economy and for Pay Act costs. The committee has recommended the full amount of \$175,000 for accelerating the development of a limited set of economic indicators focusing on the more urgent current information needs for USDA programs concerned with rural improvement. The House reduction of \$112,000 for this purpose would have postponed the completion of development of this very limited set of economic indicators by 2 or 3 years according to information furnished to the committee by the Department.

The committee believes that it is essential that the full estimate for this purpose be approved in order that the program may be undertaken in its full scope in the coming fiscal year.

STATISTICAL REPORTING SERVICE

SALARIES AND EXPENSES

1969 new budget (obligational) authority to date-----	\$14, 326, 000
1970 budget estimates—New (obligational) authority-----	15, 055, 000
House bill—New (obligational) authority-----	14, 950, 000
Committee recommendations—New (obligational) authority-----	16, 375, 600

The Statistical Reporting Service was established by Secretary's Memorandum No. 1446, supplement 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953, and other authorities. The Service was created to give coordinated leadership to the statistical reporting research and service programs of the Department. It provides a channel for the orderly flow of statistical intelligence about the agricultural economy of this country. The primary responsibilities of this Service are the nationwide crop and livestock estimates, coordination and improvement in the Department's statistical requirements, and special surveys of market potentials for agricultural products.

The committee recommends an appropriation of \$16,375,600 for the coming fiscal year. This is an increase of \$2,049,600 over the 1969 Appropriation Act, an increase of \$1,320,600 over the estimate and \$1,425,600 over the House bill.

The amounts recommended include \$140,000 for probability surveys of farm grain stocks, \$374,000 for research to improve agricultural statistics, \$21,200 for remote sensing research, and \$40,000 for the mink estimating program. The committee has also restored \$320,600 to reinstate a number of crop and livestock estimates proposed to be discontinued in the budget.

An appropriation of \$1,000,000 is included to initiate a multiframe sampling program to improve the accuracy and reliability of livestock estimates, with primary emphasis on cattle and hogs. It is expected that additional funding requirements to fully meet requirements of this activity will be included in next year's budget.

CONSUMER AND MARKETING SERVICE

The Consumer and Marketing Service was established February 8, 1965, pursuant to Reorganization Plan No. 2 of 1953, under terms of the Reorganization Act of 1949, as amended (58 Stat. 742). The Service provides consumer protection through mandatory meat and poultry inspection for wholesomeness and aids in improving the diet of consumers. Administers the child nutrition and school lunch special feeding, special milk, and food stamp programs including direct distribution of commodities acquired under section 32 and CCC. Through its marketing and regulatory programs, it aids in advancing orderly and efficient marketing and effective distribution of products from the Nation's farms.

CONSUMER PROTECTIVE MARKETING AND REGULATORY PROGRAMS

1969 new budget (obligational) authority to date-----	\$116, 264, 500
1970 budget estimates—New (obligational) authority-----	135, 254, 200
House bill—New (obligational) authority-----	130, 867, 000
Committee recommendations—New (obligational) authority-----	134, 695, 500

Under this heading, funds are appropriated to administer programs authorized to provide service and regulatory function concerned with the orderly marketing of agricultural commodities, including:

(a) Market news service to provide timely and reliable market reports on all major agricultural commodities to help farmers determine when, where, and at what price to sell their products;

(b) Meat inspection to assure that all meat and meat products produced in plants shipping in interstate and foreign commerce are wholesome, and that foreign establishments producing meat products for export to the United States meet Federal standards for sanitation and wholesomeness of product, and to provide technical and financial assistance to States for improving their meat inspection programs;

(c) Poultry inspection to assure that all poultry meat and poultry meat products moving in interstate and foreign commerce are wholesome;

(d) Other inspection, grading, classing, and standardization services to develop standards of quality and condition for agricultural commodities and to use them in providing an impartial inspection, classing, and grading service; and

(e) Regulatory activities covering administration of laws aimed at protecting farmers and others from financial loss resulting from deceptive, careless, and fraudulent marketing practices, and providing assistance in obtaining and maintaining equitable transportation rates and services on farm supplies and products.

An appropriation of \$134,695,500 is recommended for the various activities financed under this appropriation heading. This amount is an increase of \$18,431,000 over the 1969 appropriations to date, a decrease of \$558,700 under the budget, and an increase of \$3,828,500 over the House bill.

The committee has concurred in the House restoration of \$202,000 for several cooperative marketing news offices which were proposed to be closed in fiscal 1970. The committee recommends \$40,000 additional for financing the cooperative ornamental crops market news service. The increased appropriation will enable the agency to expand the program to include the Boston terminal market, and to finance on a full-year basis the program initiated late this fiscal year. The industry has already contributed to the Department \$25,000 for fiscal year 1970. The full amount available for fiscal 1970, including the \$35,000 available this fiscal year, will provide an annual level of \$100,000.

There follows a comparative table showing the items of program changes proposed in the budget and acted upon by the House and by the committee:

Item	1969 appropriation	Budget estimates	House bill	Senate committee recom- mendation
	(1)	(2)	(3)	(4)
Market news service.....	\$6,883,800	\$6,681,800	\$6,883,800	\$6,923,800
Meat inspection.....	68,101,500	81,171,500	78,101,500	80,900,000
Poultry products inspection.....	24,806,000	28,688,000	27,806,000	28,200,000
Regulatory activities.....	2,213,600	2,254,800	2,213,600	2,213,600
Increased pay costs.....		2,896,500	2,300,500	2,896,500

FOREIGN MEAT INSPECTION PROGRAM

Public Law 90-201, the Meat Inspection Act of 1967, contained provisions under section 20 thereof, requiring that foreign meat products

imported for human consumption be prohibited entry unless the exporting country complied with all inspection and building standards, and other regulations applicable to such articles produced and inspected within the United States.

The Secretary of Agriculture must certify that approved foreign meat processing plants, who slaughter or process meat products for export to the United States, "have complied with requirements at least equal to" all provisions of the act and regulations. In summary, these legal requirements impose standards and procedures for foreign meat plants equivalent to those imposed by the Department of Agriculture upon the U.S. meat slaughter and processing plants who ship in interstate commerce.

Based upon committee findings and the hearings on this bill, it is evident that the departmental regulations and requirements dealing with foreign meat processing plants do not specifically require those governments to establish and maintain an independent regulatory review of "inplant" inspection and supervision equivalent to the U.S. inspection program—under which highly trained veterinarian specialists make periodic and unscheduled visits to U.S. federally supervised meatpacking and processing establishments.

The purpose of visits and inspections by specialized veterinarians in U.S. federally inspected plants is to review the standards of performance maintained in plant facilities, and by the regular inspection personnel assigned to these plants in carrying out the requirements and regulations issued by the Department for facilities subject to the Meat Inspection Act, as amended.

The Secretary of Agriculture is directed to institute prompt changes in current regulations dealing with the foreign meat inspection provisions of Public Law 90-205, which will require foreign governments interested in exporting meat products to the United States to promptly establish and maintain an equivalent system of periodic supervisory inspection of the plants that such countries certify as meeting standards equivalent to U.S. meat inspection and operating requirements. It is expected that such revised regulations will require that there be a minimum of at least one supervisory review inspection each month in addition to the regular in-plant inspection, and it is further expected that the reports of findings will be made available to U.S. veterinary personnel upon request, when they visit exporting countries to conduct inspections of such plants.

PAYMENTS TO STATES AND POSSESSIONS

1969 new budget (obligational) authority to date.....	\$1, 750, 000
1970 budget estimates—new (obligational) authority.....	1, 600, 000
House bill—new (obligational) authority.....	1, 600, 000
Committee recommendation—new (obligational) authority.....	1, 600, 000

The Service administers the matched fund program for marketing activities carried out through cooperative arrangements with State departments of agriculture, bureaus of markets, and similar State agencies. Payments to States for this purpose were authorized under section 204(b) of the Agricultural Marketing Act of 1946.

An appropriation of \$1,600,000 is recommended for financing cooperative agreements made under the matching fund program. This is the amount in the estimate, and the House bill, and a reduction of \$150,000 under the 1969 appropriation.

FOOD ASSISTANCE PROGRAM

The following table shows the amounts carried in the bill for food assistance programs for 1969 and estimates for 1970:

FOOD ASSISTANCE PROGRAMS 1969 AND ESTIMATES FOR 1970

[In thousands]

	Fiscal year 1969, estimated	1970 revised budget	House bill	Senate committee
A. Child feeding programs:				
1. Cash grants to States:				
(a) School lunch (sec. 4).....	\$162,041	\$168,041	\$168,041	\$168,041
(b) Special assistance (sec. 11).....	10,000	44,800	44,800	44,800
(c) School breakfast.....	3,500	10,000	10,000	10,000
(d) Nonfood assistance.....	750	10,000	10,000	10,000
(e) State administrative.....	750	750	750	750
(f) Nonschool food program.....	5,700	10,000	10,000	10,000
(g) Special milk.....	103,314	-----	119,300	83,319
(h) Special sec. 32.....	43,941	89,000	89,000	89,000
Total, cash to States.....	330,046	332,591	451,891	415,910
2. Commodities to States:				
School lunch (sec. 6).....	64,325	64,325	64,325	64,325
Sec. 32 ¹	80,500	90,411	90,411	90,411
Sec. 416.....	144,872	146,838	146,838	146,838
Total, commodities.....	289,697	301,574	301,574	301,574
3. Federal operating expenses:				
School lunch.....	2,161	3,100	3,100	3,100
Nonschool feeding.....	500	750	750	750
Special milk.....	681	-----	700	681
Total, operating expenses.....	3,342	3,850	4,550	4,531
Total, child feeding.....	623,085	638,015	758,015	722,015
B. Family feeding programs:				
1. Food stamp program.....	279,908	340,000	340,000	750,000
2. Direct distribution to families (regular program):				
(a) Sec. 32 ¹	142,141	225,028	225,028	225,028
(b) Sec. 416.....	116,539	140,000	140,000	140,000
Total, direct distributions to families.....	258,680	365,028	365,028	365,028
3. Nutritional supplement (special packages):				
(a) Special sec. 32—Food stamp areas.....	1,000	11,000	11,000	11,000
(b) Sec. 32 ¹	7,317	22,000	22,000	22,000
(c) Sec. 416.....	500	1,500	1,500	1,500
Total, special packages.....	8,817	34,500	34,500	34,500
Total, family feeding.....	547,405	739,528	739,528	1,149,528
C. Direct distribution to institutions:				
1. Sec. 32 ¹	1,967	3,800	3,800	3,800
2. Sec. 416.....	43,000	29,000	29,000	29,000
3. VA, Armed Forces, penal.....	17,875	21,000	21,000	21,000
Total, direct distributions to institutions.....	62,842	53,800	53,800	53,800
D. Nutrition aide program.....				
	10,000	30,000	30,000	30,000
Total, food assistance program.....	1,243,332	1,461,343	1,581,343	1,955,343

¹ Includes related administrative expense.

SPECIAL MILK PROGRAM

1969 authorization (by transfer from sec. 32).....	(\$104,000,000)
1970 estimate (by transfer from sec. 32).....	(-----)
House bill—1970 (by transfer from sec. 32).....	(120,000,000)
Committee recommendation.....	84,000,000

The special milk program is aimed primarily at increasing the consumption of fluid milk by children. From its inception in fiscal year 1955 through fiscal year 1962, the program was financed through advances from Commodity Credit Corporation funds.

The Agricultural Act of 1961 (Public Law 87-128), approved August 8, 1961, authorized financing of the program by regular appropriation. This authorization was amended by the Child Nutrition Act of 1966 (Public Law 89-642), approved October 11, 1966 which extended the program through fiscal year 1970.

The committee recommends an appropriation of \$84 million for the special milk program. It further recommends that this amount be from general revenue funds rather than by transfer from section 32 as proposed in the House-passed bill. The budget estimate for fiscal 1970 did not include any special funding for section 32 but language in the estimate proposed to use \$20 million from section 32 funds for providing milk to children in nonprofit schools, child day care centers, summer camps, and similar nonprofit institutions which are devoted to the care and training of children. The committee has restored this language to the bill under section 32.

Officials of the Department have stated in the hearings that there is no longer any need for the special milk appropriation since the expanded child nutrition and feeding programs all include milk as a part of the breakfasts and lunches served to children. However, after careful consideration, the committee has restored to the bill an appropriation for the coming fiscal year of \$84 million and this sum, together with the \$20 million referred to above, will continue special milk financing at the current level of \$104 million for fiscal year 1970.

CHILD NUTRITION PROGRAMS (SCHOOL LUNCH PROGRAM)

Child nutrition programs (school lunch program)	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	Senate committee rec- ommendation
(1)	(2)	(3)	(4)	(5)
Direct appropriation.....	188,474,000	117,500,000	117,500,000	117,500,000
Transfer from sec. 32.....	(64,325,000)	(194,266,000)	(194,266,000)	(194,266,000)
Total, child nutrition programs.....	(252,799,000)	(311,766,000)	(311,766,000)	(311,766,000)

An appropriation of \$311,766,000, including transfers from section 32, is recommended for fiscal year 1970, of which \$117,500,000 is by direct appropriation and \$194,266,000 is by transfer from section 32 funds. The amounts are the same as recommended in the revised budget and as carried in the House bill. The amounts referred to represent a net increase of \$58,967,000 over funds available for the current fiscal year.

The total amounts available for each of the programs such as school lunch, special assistance, and so forth, are reflected in the following table:

	1969 appropriation	Budget increase	1970 House bill	Senate Committee
1. Cash payments to States:				
(a) School lunch program.....	\$162,041,000	+\$6,000,000	\$168,041,000	\$168,041,000
(b) Special assistance.....	10,000,000	+34,800,000	44,800,000	44,800,000
(c) School breakfast program.....	3,500,000	+6,500,000	10,000,000	10,000,000
(d) Nonfood assistance program.....	750,000	+9,250,000	10,000,000	10,000,000
(e) State administrative expenses.....	750,000	-----	750,000	750,000
(f) Nonschool food program.....	5,750,000	+4,250,000	10,000,000	10,000,000
Subtotal.....	182,791,000	+60,80,0000	243,591,000	243,591,000
2. Commodity procurement.....	64,325,000	-----	64,325,000	64,325,000
3. Operating expenses.....	2,661,000	+1,189,000	3,850,000	3,850,000
Unobligated balance.....	3,000,000	-3,000,000	-----	-----
Total available or estimate.....	1 252,777,000	1 +58,989,000	311,766,000	311,766,000

¹ Excludes \$22,000 transfer to General Services Administration.

The regular school lunch program authorized by section 4 of the School Lunch Act continues to grow. The Department estimates that 3.5 billion lunches will be served in 1970—a growth of about 3.9 percent. On this basis, the \$6 million increase will provide for a Federal cash contribution of about 4.8 cents per meal served. The following table reflects program participation for 1967–70.

Item	Fiscal year 1967 (actual)	Fiscal year 1968 (actual)	Fiscal year 1969 (estimate)	Fiscal year 1970 (estimate)
Number of schools (peak participation).....	72,334	71,184	71,750	72,000
Number of school children (peak thousands).....	18,323	18,615	19,000	19,800
Number of lunches served (million).....	3,131.5	3,181.00	3,370.0	3,500.9
Federal cash contribution (million).....	\$147.7	\$154.9	\$162.0	\$168.0
Average Federal contribution per lunch (cents).....	4.8	4.9	4.8	4.8

FOOD STAMP PROGRAM

1969 new obligational (budget) authority.....	\$280,000,000
Budget estimate (new obligational authority) 1970.....	340,000,000
House bill.....	340,000,000
Committee recommendation.....	340,000,000

The food stamp program was authorized by Public Law 88-525, approved August 31, 1964. Public Law 90-91, approved September 27, 1967, provided that the act be carried out only with funds appropriated from the general fund of the Treasury for that specific purpose and in no event shall be carried out with funds derived from permanent appropriations. Public Law 90-552, approved October 8, 1968, extended appropriation authority through December 1970, and provided \$340 million authorization for fiscal 1970.

The food stamp program is designed to benefit families or individuals receiving some form of welfare assistance, and is also authorized to help other designated families with incomes as low or lower than families receiving welfare. The program is conducted in cooperation with the States with the objective of providing improvements in the diets of low-income families. Eligible persons or families are able to increase their purchase of foods by means of food stamps issued in the form of special Federal assistance. The food stamps are redeemed in designated retail stores. The results of the program show that food purchases are increased.

The Committee recommends an appropriation of \$750,000,000 for the coming fiscal year. This is the amount authorized in S.J. Res. 126, approved by the Senate on June 24. That resolution increased the limitation on Food Stamp expenditures for fiscal 1970 from \$340 million to \$750 million. The amount of \$750 million thus represents an increase of \$410 million over the budget estimate and the House bill, and an increase of \$470 million over the appropriation for the Food Stamp program in fiscal 1969.

REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES SECTION 32

The basic purposes of section 32 funds is to encourage the production of food by stabilizing prices for export and domestic consumption of perishable agricultural commodities. The extent of use of funds for the basic purposes of section 32, which has been amended from time to time, depends upon the condition of markets and the extent to which surplus removal programs are initiated to stabilize market conditions.

It is essential that the Department of Agriculture have on hand at all times under the permanent appropriation sufficient funds to enter into the price depressed markets and stabilize them by surplus removal operations. The following table summarizes the estimate of the total funds available for section 32 activities and, together with the balance of \$300 million estimated to be carried over as authorized by law for fiscal year 1968, 1969, and the estimate for 1970:

Item	1968	1969 estimate	1970 estimate
Appropriation or estimate.....	\$578,911,603	\$596,645,658	\$665,000,000
Balance available from prior years.....	300,000,000	300,000,000	300,000,000
Recovery of prior-year obligations.....	20,077		
Unobligated balance of research funds returned from Agricultural Research Service.....	317,305		
Transfers to:			
Child nutrition programs.....	-45,000,000	-64,325,000	-194,266,000
Special milk program.....	-104,000,000	-104,000,000	
Agricultural Research Service.....	-15,000,000	-15,000,000	-15,000,000
Foreign Agricultural Service.....	-3,117,000	-3,117,000	-3,117,000
Interior Department.....	-7,443,592	-7,412,775	-7,703,000
Total available after transfers.....	704,688,393	702,790,883	744,914,000
Obligations.....	175,649,394	402,790,883	444,914,000
Unobligated balance.....	229,038,999		
Unobligated balance carried forward to subsequent year.....	300,000,000	300,000,000	300,000,000

Under the action proposed in the House-passed bill, the carry over of section 32 funds would have been reduced to \$180 million, but the recommendations of the committee to restore the special milk program to a direct appropriation will preserve the \$300 million carry over authorized by law.

The following table indicates the use of these funds for commodity program purposes as well as for the special feeding program for fiscal years 1969 and the estimate for 1970:

Project	1969 estimated	1970 revised budget
1. Commodity program payments.....	\$338,203,483	\$334,624,600
2. Special feeding program.....	44,941,000	100,000,000
3. Surplus removal operating expenses.....	6,896,400	7,389,400
4. Marketing agreements and orders.....	2,750,000	2,900,000
5. Food and nutrition aides program.....	10,000,000	
Total available or estimate.....	402,790,883	444,914,000

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

Items	New budget (obligational) authority en- acted to date, fiscal year 1969	Budget esti- mates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	Committee recommenda- tion
Foreign Agricultural Service:				
Salaries and expenses.....	21,541,300	23,937,000	22,937,000	23,937,000
Transfer from sec. 32.....	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)
Transfer from CCC.....	(2,017,350)	(107,000)	(107,000)	(107,000)
Total, Foreign Agricultural Service..	(26,675,650)	(27,161,000)	(26,161,000)	(27,161,000)

The Foreign Agricultural Service was established March 10, 1953, by Secretary's Memorandum No. 1320, Supplement 1. Public Law 690, approved August 28, 1954, transferred the agricultural attachés from the Department of State to the Foreign Agricultural Service. The agency is responsible for carrying out activities relating to developing, evaluating, and reviewing the program for donations of food abroad through voluntary agencies, pursuant to title II of Public Law 480, as amended.

The primary function of the Foreign Agricultural Service is to help American agriculture in maintaining and expanding foreign markets for its products.

It maintains a worldwide agricultural intelligence and reporting service to assist U.S. agricultural industry in its export operations. This is done through a continuous program of analyzing and reporting foreign agricultural production, markets, and policies.

It helps to develop foreign markets for U.S. farm products through administration of special export programs and through helping to secure international trade conditions that are favorable toward our products.

An appropriation of \$23,937,000 is recommended for the next fiscal year. This is the amount of the revised budget estimate, and a net increase of \$2,395,700 over the current fiscal year. In addition a \$3,117,000 transfer from section 32 and a \$107,000 transfer from CCC are recommended. The total amount available for fiscal 1970 under the Committee recommendation is \$27,161,000. The program changes for fiscal 1970 include a new Attaché Post for Korea at an estimated cost of \$80,000, and \$2.5 million for accelerated market development activities, offset by a decrease of \$545,000.

The \$2.5 million increase recommended for the market development program will enable the agency to accelerate existing programs and to develop a comprehensive commodity export program to parallel similar work done for industry by the Department of Commerce. The proposed program will involve establishment of commodity by commodity targets on a 5-year projected basis. The use of Market Development Funds, in cooperation with commodity groups has made a great contribution toward the development of foreign export markets and recognition of this committee has recommended the full budget estimate to accelerate this activity.

The Agricultural Trade Development and Assistance Act authorizes and the committee recognizes that different promotional techniques must be used if we are to maintain and expand exports of American

agricultural products. It is expected that the agency will make every effort to accelerate its program efforts and those of commodity co-operator groups to increase the sale of U.S. agricultural products and commodities abroad, irrespective of whether the commodity is offered for sale in its raw or processed state, is blended, or is promoted in cooperation with other exporting countries as the Department has approved in the cotton export promotion program. Every effort should be made to sell abroad agricultural commodities in order to dispose of surpluses, as well as to sustain export sales or to promote new markets for agricultural products.

U.S. EXPORT PROGRAM

The committee recognizes the concerted effort of the Department of Agriculture and cooperating commodity and trade groups to expand foreign markets for U.S. farm products. This effort to develop and expand foreign markets has contributed materially to increased exports of agricultural commodities which reached a peak of \$6.8 billion in fiscal 1967, of which \$5.2 billion were sales for dollars.

Since then, it appears that exports have reached a plateau and are diminishing for some commodities and products. In part, factors which affect further foreign market development include increased agricultural production in other countries and tightening agricultural protectionism, especially in Europe. Other temporary factors, such as the dock strike and quality problems on wheat shipments to Japan, affected the volume in the current fiscal year.

The committee recognizes that trade barrier obstacles cannot be readily adjusted, but every effort must be made to overcome these restraints on U.S. exports. The committee urges that export-expanding steps be taken in areas where early progress could reasonably be expected. Some other factors which affect present and future exports involve the quality of the farm products upon arrival in the foreign markets. Problems of this nature should be promptly reported to the producer groups and the exporters involved and prompt corrective action should be initiated.

The quality of our agricultural commodities and products delivered in foreign markets should be designed to meet end-use requirements of foreign consumers if we are to compete successfully in increasingly competitive markets. More attention needs to be given to this matter if the United States is to maintain a strong competitive position. To that end, the committee urges the Secretary of Agriculture to review carefully programs and procedures that bear on quality, including production incentives, which may encourage the continued output of the products of decreasing demand domestically, and which require subsidies for foreign marketing. Such a review, coupled with resultant changes in standards where necessary, may help U.S. exporters to compete in foreign markets and should enhance our competitive position in foreign markets, and is essential to the further development and maintenance of U.S. agricultural export trade.

COMMODITY EXCHANGE AUTHORITY

SALARIES AND EXPENSES

1969 new budget (obligational) authority to date-----	\$1, 830, 000
1970 budget estimates of new (obligational) authority-----	2, 321, 000
House bill—New (obligational) authority-----	2, 100, 000
Committee recommendation—New (obligational) authority-----	2, 321, 000

The Commodity Exchange Authority administers the Commodity Exchange Act of September 21, 1922, as amended. The objectives under the act are to prevent commodity price manipulation and market corners; prevent dissemination of false and misleading crop and market information affecting commodity prices; protect hedgers and other users of the commodity futures markets against cheating, fraud, and manipulative practices; insure the benefits of membership privileges on contract markets to cooperative associations of producers; insure trust-fund treatment of margin moneys and equities of hedgers and other traders and prevent the misuse of such funds by brokers; and provide information to the public regarding trading operations and contract markets.

The committee recommends \$2,321,000, the full budget estimate, for conduct of the operations of the Commodity Exchange Authority. This is an increase of \$221,000 over the House bill and \$491,000 over the appropriation for fiscal 1969. The increased amounts are provided by the committee to accelerate the following regulatory activities: (1) Licensing and auditing of brokerage houses, under Public Law 90-258 and 90-418, new legislative authorities enacted by the last Congress, \$594,000. This is an increase of \$50,000 over the House bill and \$113,000 over the current year; (2) For supervision of futures trading in new commodities, the budget estimate of \$1,093,000 is recommended. This represents an increase of \$121,000 over the House bill and \$207,000 over fiscal 1969, and (3) For compliance and investigations, the full budget estimate of \$634,000 is recommended. This is an increase of \$50,000 over the House bill and \$120,000 over fiscal year 1969.

The committee believes that these increases will enable the CEA to fully discharge the responsibilities imposed on it by the new legislation and for carrying out all program activities recommended in the budget for fiscal 1970.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

The Agricultural Stabilization and Conservation Service was established by the Secretary of Agriculture on June 5, 1961, under the authority of Reorganization Plan No. 2 of 1953, in accordance with the Reorganization Act of 1949, as amended (5 U.S.C. 901-913). The agency administers a number of agricultural program activities as described below.

EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1969 (2)	Budget estimates of new (obligational) authority, fiscal year 1970 (3)	New budget (obligational) authority recommended in House bill (4)	Senate committee recommendation (5)
Service:				
Expenses, ASCS:				
Direct appropriation.....	141,031,400	128,870,000	147,420,000	146,000,000
Transfer from CCC.....	(62,764,100)	(62,483,000)	(62,483,000)	(62,483,000)
Total expenses, ASCS.....	(203,795,500)	(191,353,000)	(209,903,000)	(208,483,000)

Under this appropriation item funds are made available for the administrative expenses of a number of farm programs administered by the Agricultural Stabilization and Conservation Service. The several programs administered by this agency include production adjust-

ment programs dealing with the various commodities and the special acreage production programs; administration of the Sugar Act program; administration of the agricultural conservation program; administration of the emergency conservation measures; the cropland adjustment and conversion programs; the conservation reserve program payments and the Appalachian region conservation program; the administration of price support and related programs and special activities and export programs, as authorized pursuant to the foreign assistance programs, together with related service activities assigned to the agencies.

The committee recommends a direct appropriation of \$146 million and a transfer from CCC corporate funds of \$62,483,000, for a total of \$208,483,000 for fiscal year 1970. The amounts recommended represent a net increase of \$4,687,500 over the 1969 Appropriation Act, a decrease of \$1,420,000 under the House bill, and an increase of \$17,130,000 over the budget estimate.

The action by the committee to authorize an agricultural conservation program for 1970 requires that most of the reduction proposed by the budget be restored to enable the agency to carry out the ACP and other authorized program activities funded under this heading.

FARM FACILITY STORAGE PROGRAM

The Department of Agriculture has announced changes in the farm storage facility loan program administered by the Agricultural Stabilization and Conservation Service. The following program changes were made: (1) Reduction of the maximum amount for loans on dryers from 85 to 65 percent of net cost or \$2,500 whichever is less; (2) restriction of loans to conventional-type storage structures and elimination of loans on oxygen-free and silo-type structures; (3) no loans on foundations, electrical wiring and conditioning, handling, and operating equipment; (4) elimination of loans for remodeling; (5) provision that storage needs be based on a farm's production for 1 year of eligible commodities; and (6) increase of the interest rate on loans from 34 to 50 cents each \$100 or fraction thereof for each calendar month.

During calendar year 1968, producers borrowed \$106.4 million through 44,249 loans for storage structures and drying facilities with a storage capacity of approximately 270 million bushels. For fiscal year 1969, it would appear that the activity will be even greater.

It has been estimated that the announced program changes will reduce the loan activity for fiscal year 1970 to \$20 million for 8,850 loans for storage structures and drying facilities with a storage capacity of approximately 54 million bushels.

The subcommittee is in sympathy with the urgent need for budget stringency to halt inflation, and is willing to accept reductions for this loan activity. However, the subcommittee feels that the announced limits are too abrupt without sufficient advance notice to the farming community, and that the level of funding is too severely reduced.

Therefore, while the subcommittee approves of \$20 million for new funding of the farm storage facility loan program during fiscal year 1970, it strongly recommends that the ASCS also make available all amounts to be received during that fiscal year as repayments of

previous loans under the program. The amount of repayments during the coming fiscal year has been estimated at about \$50 million. This will permit a funding level of approximately \$70 million for fiscal 1970, which is still a substantial reduction but permits the maintenance of a stable and healthy farm storage program.

The subcommittee also urges that the Department revise the program changes made effective on May 30 for farm storage facility loan activity to permit the recommended program level of approximately \$70 million.

LIMITATION ON PAYMENTS

The House-passed bill contained a limitation provision under this appropriation item requiring that no part of the funds in the Appropriation Act for fiscal year 1970 could be used to formulate or conduct any price-support program (other than for sugar) under which payments to any producer could in the aggregate exceed \$20,000 on any crop planted in fiscal 1970.

The retention of this provision in the appropriation bill is opposed by the Secretary of Agriculture and by the major farm organizations. The committee believes that the views of the Secretary in the special subcommittee hearing on this subject (printed as pt. 2 of the committee hearings) clearly set forth the increased program costs for the cotton program that would result under the proposed limitation.

On June 19, 1969, the Comptroller General rendered an opinion to the Secretary of Agriculture on questions that had been raised by the Secretary in his letter to the Comptroller General on June 4, pertaining to the limitation on payments provision in the House-passed version of the agricultural appropriation bill. The GAO opinion to the Secretary states in part that the "snapback" provision is mandatory for cotton and not discretionary if a limitation on payments is enacted. The opinion also states that there is no authority under which the Secretary could not carry out the "snapback" provision in a manner which would make cotton producers subject to a limitation on payments. The full text of the letter is printed in the hearings and begins on page 64 thereof.

The Secretary also indicated that the limitation would result in other costs and administrative problems. He further stated that the administration plans to submit new farm legislation proposals to the Congress later this year. The departmental proposals will embody recommendations affecting payments to producers. These legislative recommendations, when received, can then be considered and acted upon by both bodies of the Congress in the regular manner and any changes will apply to crops planted in 1971.

The committee therefore recommends that the following provision carried in the House-passed bill be stricken:

: Provided further, That no part of the funds appropriated by this Act shall be used to formulate or carry out any price support program (other than for sugar) under which payments aggregating more than \$20,000 under all such programs are made to any producer on any crop planted in the fiscal year 1970

SUGAR ACT PROGRAM

1969 new budget (obligational) authority to date-----	¹ \$82, 000, 000
1970 budget estimates—new (obligational) authority-----	96, 300, 000
House bill—new (obligational) authority-----	89, 500, 000
Committee recommendation—new (obligational) authority-----	93, 000, 000

¹ In addition, \$7,500,000 included in second supplemental appropriation bill, 1969.

Under this heading payments are made to domestic producers who comply with certain special provisions of the Sugar Act of 1948, as amended. Payments for this program are financed from a tax of 50 cents per hundred pounds imposed on all beet and cane sugar processed or imported into the United States used for direct consumption.

An appropriation of \$93 million for Sugar Act payments is recommended for next year. This is an increase of \$11 million over the 1969 appropriation act and is \$3,500,000 over the House bill, and \$3,300,000 under the budget estimate.

Sugar payments are mandatory to domestic producers who comply with the provisions of the Sugar Act of 1948, as amended, and payments are financed from a tax of 53.5 cents per 100 pounds on all beet and cane sugar processed or imported into the United States. To date, these tax collections, which go into the general fund of the Treasury, have exceeded producer payments under this act by \$594.9 million.

AGRICULTURAL CONSERVATION PROGRAM

ADVANCE AUTHORIZATION FOR 1970 PROGRAM (CONTRACT AUTHORIZATION)

1969 new budget (obligational) authority to date-----	\$195, 500, 000
1970 budget estimates—new (obligational) authority-----	-----
House bill—new (obligational) authority-----	195, 500, 000
Committee recommendation—new (obligational) authority-----	185, 000, 000

LIQUIDATION OF CONTRACT AUTHORIZATION

1969 liquidation of contract authorization-----	(\$190, 000, 000)
1970 estimate (for 1969 program)-----	(195, 500, 000)
1970 House bill-----	(195, 500, 000)
Committee recommendation-----	(195, 500, 000)

The agricultural conservation program is authorized by the provisions of section 7 to 16(a), inclusive, and section 17 of the Soil Conservation and Domestic Allotment Act, as amended. The act aims at restoring and improving soil fertility. It contributes to reducing erosion caused by wind and water. It also helps in conserving water on land. Costs are shared with individual farmers and ranchers who per form approved soil-building and soil- and water-conserving practices on their farms. This assistance represents only a part of the cost of performing the practice. The farmer bears the balance of the cost which amounts to about 50 percent.

An appropriation of \$195,500,000 is recommended to liquidate the contract authorization for the 1969 program approved a year ago. The amount recommended is the same as the budget estimate and the amount carried in the House bill.

The committee recommends an advance authorization of \$185 million for the 1970 agricultural conservation program. This is an increase of \$185 million over the estimate and a reduction of \$10,500,000 under the House bill.

Last year the committee report contained the following language in connection with its approval of the 1969 advance ACP authorization:

"In formulating and carrying out the 1969 program, it is expected that program guides and requirements will give first priority to cost-share practices for the establishment of permanent soil and water conservation measures." The hearings did not show any affirmative action on the part of the departmental administrative officials to make certain that the above quoted direction was carried out in formulation and conduct of the 1969 program.

The committee will expect to have a full showing at the hearings next spring as to how the Department is implementing last year's committee direction in the formulation and administration of the 1970 program in order to reach the objective of limiting governmental cost sharing to enduring type conservation practices and measures under the reduced program authorization.

CROPLAND ADJUSTMENT PROGRAM

1969 new budget (obligational) authority to date-----	\$84, 500, 000
1970 budget estimates—New (obligational) authority-----	79, 330, 000
House bill—New (obligational) authority-----	78, 000, 000
Committee recommendation—New (obligational) authority-----	78, 600, 000

This program is authorized by title 6 of the Food and Agriculture Act of 1965. The purpose of this program is to assist farmers through long-term agreements to divert land from the production of unneeded crops to uses which will promote the development of soil, water, forest, wildlife, and recreational resources. There is authority under this program also to establish, protect, and conserve open spaces and natural beauty and to prevent air and water pollution.

An appropriation of \$78,600,000 is recommended for payments under the cropland adjustment program. The recommended appropriation is \$5,900,000 under 1969, \$730,000 under the budget estimate, and \$600,000 over the House bill. It is believed that the amount provided will enable the agency to complete all practice and contract payments due in 1970, as well as to bear the administrative cost of the advance program for 1970.

The committee has restored to the bill the language to authorize a 1970 program of not to exceed annual costs of \$99,300,000.

In view of the continued need for cropland diversion, coupled with criticisms of large payments, the committee believes that the 1970 program limitation which will retire approximately 4 million acres and thereby help to relieve some of the burdensome surpluses, is a modest step that should be undertaken for next year.

The Department states that its experience to date on the limited 1966 and 1967 programs show that this program diverts acreage at a lower cost than annual payments.

CONSERVATION RESERVE PROGRAM

1969 new budget (obligational) authority to date-----	\$109, 000, 000
1970 budget estimates—New (obligational) authority-----	37, 900, 000
House bill—New (obligational) authority-----	37, 500, 000
Committee recommendation—New (obligational) authority-----	37, 250, 000

The conservation reserve program is authorized by the Soil Bank Act of 1956. It was a voluntary program under which the Secretary was authorized to enter into 3- to 10-year contracts with farmers to

withdraw specified acreages of cropland from production and devote it to conservation uses. In return for removing designated cropland from production and for establishing necessary conservation practices on this land, the farmer receives an annual rental payment each year of the contract period, and received cost-sharing assistance for the establishment of required conservation practices.

An appropriation of \$37,250,000, a decrease of \$250,000 under the amount carried in the House bill, is recommended for fiscal 1970. This is \$650,000 under the estimate and \$71,750,000 under the 1969 appropriation. It is believed that this amount will provide for mandatory payments which become due within fiscal 1970.

EMERGENCY CONSERVATION MEASURES

1969 new budget (obligational) authority to date-----	\$5, 000, 000
1970 budget estimates—New (obligational) authority-----	5, 000, 000
House bill—New (obligational) authority-----	5, 000, 000
Committee recommendation—New (obligational) authority-----	5, 000, 000

The program of emergency assistance was authorized by the Third Supplemental Appropriation Act of 1957 (Public Law 85-58). Assistance is available only when, as a result of wind erosion, floods, hurricanes, or other natural disasters, new conservation problems are created which (1) if not treated, will impair or endanger the land; (2) materially affect the productive capacity of the land; (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area; and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use.

An appropriation of \$5 million is recommended for the coming fiscal year for emergency conservation measures to deal with expenses essential to the repair of farm and range lands resulting from natural disasters. This is the amount of the budget estimate, the amount of the House bill, and the same amount that was appropriated last year.

The \$5 million appropriation, plus anticipated carryover of \$10 million, as well as estimated recoveries from prior year obligations totaling \$3,533,000, will make a total availability next year of \$18,751,000.

INDEMNITY PAYMENTS TO DAIRY FARMERS

1969 new budget (obligational) authority to date-----	\$300, 000
1970 budget estimates of new (obligational) authority-----	200, 000
House bill—New (obligational) authority-----	200, 000
Committee recommendation—New (obligational) authority-----	200, 000

Payments are authorized to be made to dairy farmers who have been directed to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government.

This program began in 1964 and has been extended several times. The latest extension expires on June 30, 1970. Payments made from the beginning of the program through June 1968 amounted to \$905,950.

An appropriation of \$200,000 is recommended for 1970. This is the amount of the estimate, the House bill, and a decrease of \$100,000 under fiscal 1969.

RURAL COMMUNITY DEVELOPMENT SERVICE

SALARIES AND EXPENSES

1969 new budget (obligational) authority to date.....	\$463, 000
1970 budget estimates—New (obligational) authority.....	450, 000
House bill—New (obligational) authority.....	450, 000
Committee recommendation—New (obligational) authority.....	450, 000

The Rural Community Development Service cooperates with all phases of rural development, and serves the Secretary of Agriculture and other departments of Government at the Washington level in the implementation of rural development programs. The Rural Community Development Service identifies Federal programs outside the Department of Agriculture that are still not effectively reaching rural areas because of administrative difficulties of communicating with a dispersed rural population. It also works with departments and agencies having such programs to develop effective means for overcoming these administrative difficulties by appropriate adjustments in the programs and by setting up appropriate methods of utilizing the services of Farmers Home Administration and other Department of Agriculture agencies to facilitate effective availability of useful programs of other departments in rural areas.

An appropriation of \$450,000 is recommended for fiscal 1970. This is the amount of the budget estimate and the amount carried in the House bill, and a reduction of \$13,000 below fiscal year 1969. The reduction is made possible by internal reorganization and consolidation of activities carried on by the Agency.

OFFICE OF THE INSPECTOR GENERAL

SALARIES AND EXPENSES

1969 new budget (obligational) authority to date.....	\$12, 426, 000
1970 budget estimate—new (obligational) authority.....	13, 925, 000
House bill—new (obligational) authority.....	13, 389, 000
Committee recommendation—new (obligational) authority.....	13, 925, 000

Internal audit and investigation activities are carried out by the Office of the Inspector General which was established by the Secretary of Agriculture's Memorandum No. 1503, dated June 25, 1962, and No. 1524, dated December 21, 1962. The Office is responsible to the Secretary for assuring that existing laws, policies, and programs of the Secretary are effectively complied with on every level of administration in accordance with the intent of the Congress and the Secretary. It insures prompt and appropriate corrective action in those areas in which deviation from established law, policy, procedure, rules, or regulations has developed; and conducts internal audit and investigative activities within the Department and coordinates and correlates them with various investigative agencies of the executive and legislative branches of the Government.

An appropriation of \$13,925,000 is recommended for the operation of this Office. This amount is the budget estimate, \$536,000 over the House bill, and \$1,499,000 over the 1969 appropriation.

The amount of the budget estimate is recommended for the following audit activities; (1) For audit of Federal-State cooperative meat and poultry inspection, \$180,000; (2) For audit of consumer inspection programs, \$189,000; (3) For audit of rural development

programs, \$986,000, and (4) For audit and investigation of the food stamp program, \$2,901,000.

PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

1969 new budget (obligational) authority to date-----	\$2, 815, 300
1970 budget estimates—New (obligational) authority-----	3, 509, 300
House bill—New (obligational) authority-----	3, 200, 000
Committee recommendation—New (obligational) authority-----	3, 509, 300

The Packers and Stockyards Administration was established by Secretary's Memorandum No. 1616, supplement 1, of May 8, 1967. The Agency administers the Packers and Stockyards Act of 1921, as amended. The main objective of the act is to assist in the maintenance of free competitive practices in the marketing of livestock, meat, and poultry. It operates currently to suppress monopoly, fraud, or restraints on trade in the marketing of \$15 billion worth of livestock and nearly \$2 billion of live poultry, which represents approximately one-third of the cash income of U.S. farmers, and \$20 billion worth of meat and dressed poultry annually, which is about one-third of consumer expenditures for food in the United States.

The principal programs carried out in administering the act are:

(1) Investigation of packers meat merchandising and chainstore buying practices in order to maintain prices established by fair and competitive marketing practices and conditions;

(2) Investigation of livestock procurement methods by packers and dealers to assure that unfair trade practices detrimental to producers and the industry are not in use;

(3) Surveillance of marketing methods at public markets to foster and maintain effective competition;

(4) Investigation of complaints regarding poultry marketing practices to identify and correct those which are injurious to producers and ethical operators in the industry;

(5) To carry out weighing investigations to eliminate false and careless weighing to the maximum extent possible;

(6) Review custodial accounts to determine that shippers' proceeds are safeguarded and otherwise handled in conformance with existing regulations;

(7) Investigate financial condition of registrants and other subject to the act to determine that they are financially sound and capable of meeting their obligations, and require bonds of auction operators, commission firms, and dealers;

(8) To initiate a poultry-scale testing program and extend the livestock and monorail scale-testing efforts to assure accurate scale facilities;

(9) To study services and facilities at public markets to determine that they are adequate;

(10) Review rate proposals to determine that they are reasonable and commensurate with the services and facilities provided; and

(11) Investigate and provide for hearings and settlement of reparation complaints.

The committee recommends an appropriation of \$3,509,300 for administration of the Packers and Stockyards Act. The increase over

the 1969 appropriation is \$694,000, the amount of the revised estimate, and \$309,300 over the House bill.

A summary showing increased program activities and comparative amounts follows:

Items	1969 appropriation (1)	Budget estimates 1970 (2)	House bill 1970 (3)	Senate committee recommendation (4)
Total, salaries and expenses.....	¹ \$2,815,300	\$3,509,300	\$3,200,000	\$3,509,300
(1)				
Livestock marketing practices:				
(a) Fair marketing practices and effective competition.....	764,500	1,014,500	895,500	1,014,509
(b) Check weighing scales investigations.....	115,000	215,000	167,000	215,000
(c) Financial protection.....	281,700	406,700	346,700	406,000
(d) Rate proposals.....	93,000	117,000	106,000	117,000
Subtotal.....	1,254,200	1,753,200	1,515,200	1,753,200
(2)				
Meat merchandising.....	216,600	288,000	254,600	288,000
(3)				
Poultry marketing practices.....	204,200	283,200	245,900	283,200

¹ Excludes proposed supplemental appropriation of \$49,000 for increased pay costs.

OFFICE OF GENERAL COUNSEL

SALARIES AND EXPENSES

1969 new budget (obligational) authority to date.....	\$4,611,000
1970 budget estimates, new (obligational) authority.....	5,559,000
House bill, new (obligational) authority.....	5,000,000
Committee recommendation, new (obligational) authority.....	5,459,000

The General Counsel, as chief law officer of the Department, is responsible for providing legal services for all programs, operations and activities of the Department. He is assisted by a Deputy General Counsel and three Assistant General Counsels, each of whom is responsible for a portion of the legal work of the Department. The functions of this Office are carried out in the Washington office and in 20 field offices.

The field offices of the General Council handle much of the expanded legal work relating to the activities of the Agricultural Stabilization and Conservation Service, Farmers Home Administration, Federal Crop Insurance Corporation, Forest Service, and Soil Conservation Service, and other agencies of the Department.

An appropriation of \$5,459,000 is recommended for fiscal year 1970. This is \$100,000 under the budget estimate, an increase of \$459,000 over the House bill, and \$848,000 over fiscal year 1969 appropriations to date. The increased amounts recommended include \$389,000 for pay costs.

OFFICE OF INFORMATION

SALARIES AND EXPENSES

1969 new budget (obligational) authority to date.....	\$1,997,000
1970 budget estimates, new (obligational) authority.....	2,164,000
House bill, new (obligational) authority.....	2,106,000
Committee recommendation, new (obligational) authority.....	2,106,000

The Office has general direction and supervision of all publications and other information policies and activities of the Department including the final review, illustrating, printing, and distribution of publications; clearance and release of press, radio, television, and magazine materials; maintenance of central files of news and general illustration-type photographs; and the preparation and distribution of exhibit and motion pictures. The Office publishes the Yearbook of Agriculture, the annual report of the Secretary of Agriculture, the Department directory, and the Department list of publications; handles the details of distributing farmers' bulletins allotted to Members of Congress; and services letter and telephone requests for general information received in the Department.

An appropriation of \$2,106,000 is recommended for the coming fiscal year. This is an increase of \$109,000 over the 1969 appropriations to date, the amount recommended in the House bill, and \$58,000 under the estimate. The increase includes \$109,000 for mandatory pay costs, and to meet increased costs of operational activities such as increased postal and printing costs of bulletins and related publications issued by the Office of Information.

NATIONAL AGRICULTURAL LIBRARY

SALARIES AND EXPENSES

1969 new budget (obligational) authority to date-----	\$3, 292, 750
1970 budget estimates, new (obligational) authority-----	3, 226, 750
House bill, new (obligational) authority-----	3, 200, 000
Committee recommendation, new (obligational) authority-----	3, 226, 750

The National Agricultural Library makes available to the research workers of the Department and the State agricultural colleges, as well as to the general public, the agricultural knowledge of the world that is contained in published literature. This reduced duplication of effort and avoids diversion of valuable time of scientists and administrators by letting them know what has been done previously in their fields. The Library collects current and historical published material and organizes it for maximum service to the Department and to the public through reference services, loans of publications, bibliographical services, and photoreproductions of library material. It issues a monthly bibliography of agriculture in which is listed the agricultural literature of the world, and a biweekly Pesticides Documentation Bulletin, a computer-produced index to the world's pesticides related literature. The Library also provides cataloging information to a commercial publisher for inclusion in the monthly National Agricultural Library Catalog, a listing of currently acquired titles. The book collection approximates 1,285,000 volumes.

An appropriation of \$3,226,750 is recommended for the coming fiscal year for the operation of the National Agricultural Library. This amount is \$66,000 under the appropriations to date for fiscal 1969, and an increase of \$26,750 over the House bill. The restoration of the full budget estimate is deemed essential to provide the library with sufficient funds to bear the full-year costs for maintenance services for the new library building at Beltsville, Md.

OFFICE OF MANAGEMENT SERVICES

SALARIES AND EXPENSES

1969 new budget (obligational) authority to date-----	\$2, 841, 600
1970 budget estimates, new (obligational) authority-----	3, 069, 000
House bill, new (obligational) authority-----	3, 000, 000
Committee recommendation, new (obligational) authority-----	3, 050, 000

This Office was established pursuant to Secretary's Memorandum No. 1529, dated January 29, 1963, to consolidate the budget and management service functions for several staff offices and agencies of the Department of Agriculture.

An appropriation of \$3,050,000 is recommended for this agency which provides centralized staff service and management support to several small agencies and offices of the Department.

This is an increase of \$208,400 over the 1969 appropriation, and is \$50,000 over the House bill, and \$19,000 under the estimate. The increased funds recommended include \$106,000 for pay costs and \$102,400 for increase in staff service activity.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

1969 new budget (obligational) authority to date-----	\$4, 614, 000
1970 budget estimates, new (obligational) authority-----	5, 052, 000
House bill, new (obligational) authority-----	4, 838, 000
Committee recommendation, new (obligational) authority-----	4, 838, 000

This appropriation item is used to finance the expenses of the Office of the Secretary of Agriculture and his immediate staff, together with various staff offices, including the Office of Budget and Finance, Office of Plant and Operations, Office of Personnel, Office of Management Improvement, Office of Hearing Examiners, the judicial officer.

An appropriation of \$4,838,000 is recommended for fiscal year 1970. This is the amount carried in the House bill, an increase of \$224,000 over fiscal year 1969 appropriations to date, and \$214,000 under the budget estimate.

Under this item, the House included language authorizing the transfer from the working capital fund, of not to exceed \$250,000, for use in fiscal 1970 for carrying out authorized civil rights program activities. The committee has concurred in this transfer from the working capital fund for the coming year, but expects that beginning in fiscal 1971, that this activity will be financed from the appropriation "general administration."

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

The Rural Electrification Administration was established by Executive Order 7037 of May 11, 1935, to make loans for extension of central station electric service to unserved rural people. It was continued by the Rural Electrification Act of May 20, 1936, and

became part of the Department of Agriculture on July 1, 1939, under Reorganization Plan II. On October 28, 1949, Public Law 423 amended the act to authorize loans for furnishing and improving rural telephone service.

Electric and telephone construction loans are self-liquidating within a period not to exceed 35 years at 2 percent interest.

LOAN AUTHORIZATION FOR ELECTRIFICATION LOANS

1969 new budget (obligational) authority to date-----	\$329, 000, 000
1970 budget estimates—New (obligational) authority-----	320, 000, 000
House bill—New (obligational) authority-----	320, 000, 000
Committee recommendation—new (obligational) authority-----	340, 000, 000

The committee recommends a loan authorization of \$340 million for the electrification program in fiscal year 1970. The new authorization, plus an estimated carryover of \$25 million will provide a lending program of \$365 million, which is \$20 million over the current year level. The new authorization is thus \$20 million over the budget estimate and the House bill and \$11 million over the amount authorized a year ago.

The committee takes note of the large backlog of loan applications pending at the agency and has provided the additional authorization to meet a part of this backlog. It requests that the REA Administrator file with the committee, not later than next January 31, a full report on the exact situation in terms of firm loan applications on hand as of December 31, 1969, together with the best estimate of additional applications to be received during the balance of fiscal 1970. This report should also indicate clearly the sufficiency of loan authorization to meet the orderly requirements of the electrification program for the entire fiscal year.

The committee concurs in the statement in the House report that in view of the urgent need for "heavying-up" distribution facilities, that first consideration shall be given to the critical needs of distribution-type loans, and that generation and transmission loans be held to a minimum in the coming fiscal year.

LOAN AUTHORIZATION FOR TELEPHONE LOANS

1969 new budget (obligational) authority to date-----	\$120, 000, 000
1970 budget estimates—new (obligational) authority-----	123, 300, 000
House bill—new (obligational) authority-----	123, 300, 000
Committee recommendation—new (obligational) authority-----	123, 300, 000

New loan authorization for the telephone program in the amount of \$123,300,000 is recommended for the coming fiscal year. This is an increase of \$3,300,000 over the authorization a year ago, and is the amount of the budget estimate and the House bill. The new authorization recommended, together with carry-over and recisions, will enable the agency to conduct a \$125 million loan program for fiscal year 1970—which is the same level as for the current fiscal year.

SALARIES AND EXPENSES

1969 new budget (obligational) authority to date-----	\$12, 805, 000
1970 budget estimates—new (obligational) authority-----	13, 429, 000
House bill—new (obligational) authority-----	13, 429, 000
Committee recommendation—new (obligational) authority-----	13, 429, 000

An appropriation of \$13,429,000 is recommended for administrative expenses of the REA for the coming fiscal year. This is an increase of \$624,000 over 1969, the amount of the budget estimate, and the amount carried in the House bill. All of the increase is for mandatory pay costs.

FARMERS HOME ADMINISTRATION

The Farmers Home Administration was established November 1, 1946, pursuant to the Farmers Home Administration Act of 1946. The agency conducts a number of loan and grant programs authorized by various amendments to basic legislation.

DIRECT LOAN ACCOUNT

Direct loan account	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority rec- ommended in House bill	Senate committee recom- mendation
(1)	(2)	(3)	(4)	(5)
Real estate loans.....	(\$83,000,000)	(\$69,600,000)	(\$83,000,000)	(\$69,600,000)
Operating loans.....	(275,000,000)	(250,000,000)	(275,000,000)	(275,000,000)
Soil conservation loans.....	(4,900,000)	(8,800,000)	(4,900,000)	(8,700,000)
Total, direct loan account.....	(362,900,000)	(328,400,000)	(362,900,000)	(353,300,000)

The direct loan account was established pursuant to the Consolidated Farmers Home Administration Act of 1961. In addition, collections on principal and interest on outstanding loans are deposited in the direct loan account and are available for principal and interest payments on borrowings from the Secretary of the Treasury. The funds in this account are available for making loans for farm ownership, for soil and water conservation facilities and systems, and for farm operating purposes.

The Committee recommends \$69,600,000 for farm ownership and soil and water conservation loans to be financed from the direct loan account. In addition, it is estimated that the farm ownership insured loan program will continue at the \$360 million level, and that insured soil and water loans will approximate \$232 million next year. The loan authorization recommended for real estate loans is \$13,400,000 under the House bill and the 1969 level, and is the amount requested in the budget estimate.

The committee recommends \$275 million for farm operating loans. This is the amount provided by the House, the amount approved for 1969, and is \$25 million over the 1970 estimate. An authorization of \$69,600,000 is recommended for Real Estate Loans, this amount of the estimate and \$13,400,000 under the House bill.

The committee has restored the limitation to the budget estimate for soil conservation watershed loans to \$8,700,000, an increase of \$3,800,000 over the House bill and \$100,000 under the budget estimate.

RURAL HOUSING DIRECT LOAN ACCOUNT

1969 new budget (obligational) authority to date.....	(\$30,000,000)
1970 budget estimates—New (obligational) authority.....	(30,400,000)
House bill—New (obligational) authority.....	(30,000,000)
Committee recommendation—New (obligational) authority.....	(30,000,000)

The rural housing direct loan account was established pursuant to title X of Public Law 89-117, approved August 10, 1965. This act amended title V of the Housing Act of 1949 to provide for this account. The authorizing amendment also provided for the transfer to the rural housing direct loan account of (1) all funds, claims, notes, mortgages, contracts, and property and all collections and proceeds therefrom under the direct loan provisions of title V of the Housing Act of 1949 and any unexpended balances of amounts borrowed from the Secretary of the Treasury under section 511 of the act; and (2) all unexpended balances of appropriations for direct loan under title V, including funds authorized for direct elderly housing loans by section 515(a) of the act, as amended.

An appropriation of \$30 million for direct loans under the rural housing direct loan account is authorized for fiscal year 1970. This is the amount approved a year ago, the amount recommended in the House bill, and is \$400,000 under the budget estimate. In addition to loans made from this account, the 1970 budget estimate proposes that approximately \$1.2 billion of insured loans will be made during the next fiscal year.

EMERGENCY CREDIT REVOLVING FUND

1969 new budget (obligational) authority-----	0
1970 budget estimates of new (obligational) authority-----	\$31, 918, 000
1970 revised budget estimates of new (obligational) authority-----	31, 918, 000
House bill—New (obligational) authority-----	31, 918, 000

An appropriation of \$31,918,000 as contained in the House bill and as proposed in the budget estimate for 1970 is recommended to reimburse the CCC for funds advanced to the emergency credit revolving fund pursuant to Public Law 90-328. The advance made to the fund from the CCC was \$30 million and the estimated accrued interest through June 30, 1969, is \$1,918,000.

In H.R. 11400, the Second Supplemental Appropriation Act for 1969, there is a provision inserted by the House and concurred in by the Senate which authorizes the transfer of unobligated funds in the direct loan account of the Farmers Home Administration of not to exceed \$25 million to augment the emergency credit revolving fund. Such advances are to be reimbursed to the direct loan account from repayment of loans made from the fund.

The committee recommends that the Secretary of Agriculture and responsible officials of the Farmers Home Administration carefully review the adequacy of the present limitation on the emergency credit revolving fund, with a view toward requesting any necessary authorization to increase the capitalization of the fund to restore it to a self-sustaining basis in lieu of the procedure that has been necessitated for fiscal 1969 and again for fiscal 1970.

RURAL WATER AND WASTE DISPOSAL GRANTS

1969 new budget (obligational) authority to date-----	\$28, 000, 000
1970 budget estimates—New (obligational) authority-----	28, 000, 000
House bill—New (obligational) authority-----	40, 000, 000
Committee recommendations—New (obligational) authority-----	46, 000, 000

Section 306 of the Consolidated Farmers Home Administration Act of 1961, as amended by Public Law 89-240, approved October 7, 1965, provides an appropriation authority for grants for the prepara-

tion of comprehensive plans for the development of water or sewer systems. Grants made under this authority may not exceed \$5 million in any 1 fiscal year.

An appropriation of \$46 million is recommended for rural water and waste disposal grants. This is \$6 million over the amount carried in the House bill, an increase of \$18 million over the 1969 appropriation, and the budget estimate for 1970.

The increased funds will enable the agency to accelerate the program and to meet more fully the (backlog of requests for) grants authorized under the program.

RURAL HOUSING FOR DOMESTIC FARM LABOR

1969 new budget (obligational) authority to date.....	\$4, 250, 000
1970 budget estimates—new (obligational) authority.....	3, 700, 000
House bill—new (obligational) authority.....	1, 250, 000
Committee recommendation—new (obligational) authority.....	3, 700, 000

Financial assistance needed to provide low-rent housing and related facilities for domestic farm labor was authorized by section 516 of the Housing Act of 1949, as amended.

The grants provided stimulate the construction of farm labor housing to meet the needs of farm laborers who can afford to pay rents during the limited time that the housing is occupied in the production of seasonal crops. Income from such housing, which is only occupied sporadically, is insufficient to amortize the full cost of construction plus maintenance. Therefore, grants are necessary to assist in the financing of housing costs.

An appropriation of \$3,700,000, the amount contained in the revised budget estimate for fiscal 1970 is recommended for this program activity. This is a decrease of \$550,000 under the 1969 Appropriation Act, and \$2,450,000 over the amount carried in the House bill. It is believed that the full amount of the funds requested in the revised estimate are needed for grants to provide housing under the program for the coming year.

The decreased appropriation provided for the coming fiscal year will provide housing units as follows:

	Fiscal year 1968 (actual)	Fiscal year 1969 (estimated)	Fiscal year 1970 (estimated)
Units for:			
Families.....	439	950	875
Individuals.....	56	250	105

MUTUAL AND SELF-HELP HOUSING

1969 new budget (obligational) authority to date.....	0
1970 budget estimates new (obligational) authority.....	\$3, 000, 000
House bill—New (obligational) authority.....	1, 250, 000
Committee recommendation—New (obligational) authority.....	2, 000, 000

An appropriation of \$2 million is recommended for mutual and self-help housing. This is a partial restoration of the budget estimate of \$3 million for which the House bill proposed \$1,250,000. The appropriation recommended is \$1 million under the estimate. This is a new grant program authorized by Public Law 90-448, approved August 1, 1968, and with the amount recommended the agency will be able to carry out a reasonable program during fiscal year 1970.

Under the program grants are made for technical assistance and supervision and these grants are also used to pay the costs of construction supervisors who work with families to guide them in the construction of their homes. Under self-help usually from six to 10 families work together and through this mutual exchange of labor save from 20 to 25 percent of the cost of their homes. Some funds also would be used for administrative expenses of the organizations providing the self-help assistance. It is estimated that 10 grants will be made in 1970 with \$2 million which will provide technical staff to assist 1,700 low-income families to build their homes by the self-help method.

SELF-HELP HOUSING LAND DEVELOPMENT FUND

1969 new budget (obligational) authority to date.....	\$600, 000
1970 budget estimates of new (obligational) authority.....	1, 400, 000
House bill—New (obligational) authority.....	600, 000
Committee recommendation—New (obligational) authority.....	1, 000, 000

This is a new program authorized by Public Law 90-448, approved August 1, 1968. The Fund will be used as a revolving fund for making loans to public or private nonprofit organizations for the acquisition and development of land as building sites to be subdivided and sold to eligible families, nonprofit organizations and cooperatives.

An appropriation of \$1 million is recommended for the self-help housing land development fund. The appropriation recommended is an increase of \$400,000 over the amount approved last year for this program, \$400,000 under the budget estimate, and \$400,000 over the amount carried in the House bill.

It is estimated that 15 loans will be made in 1969 with \$600,000 and that 25 loans can be made in 1970 with \$1 million. These loans are made for a maximum of 2 years at 3 percent interest. The principle indebtedness of any organization will not exceed \$100,000.

FARMERS HOME ADMINISTRATION

SALARIES AND EXPENSES

Salaries and expenses	New budget (obligational) authority enacted to date, fiscal year 1969	Budget esti- mates of new (obligational) authority. fiscal year 1970	New budget (obligational) authority recommended in House bill	Senate com- mittee recom- mendation
(1)	(2)	(3)	(4)	(5)
Direct appropriations.....	58, 230, 000	84, 885, 000	65, 000, 000	67, 500, 000
Transfer from agricultural credit insurance fund.....	(2, 250, 000)	(2, 250, 000)	(2, 250, 000)	(2, 250, 000)
Miscellaneous transfer.....	(500, 000)	(500, 000)	(500, 000)	(500, 000)
Total, salaries and expenses.....	(60, 980, 000)	(87, 635, 000)	(67, 750, 000)	(70, 250, 000)

The total appropriation, including transfers, recommended for 1970 is \$70,250,000. This represents an increase of \$9,270,000 over the 1969 appropriation, and is \$17,385,000 under the estimate, and \$2,500,000 over the amount carried in the House bill.

The increased appropriation will enable the agency to employ approximately 800 additional employees and thereby strengthen the administration of the several program activities financed from this appropriation.

The budget estimate proposes increased insured lending programs, but in view of rising interest costs, it is doubtful that these goals will be attained thereby decreasing the need for increased staff proposed in the budget.

TITLE III—CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION

Salaries and expenses	Appropriation	Premium income
1969 new obligational (budget) authority (to date).....	\$11, 243, 500	(\$2, 140, 000)
1970 estimate.....	12, 000, 000	(1, 648, 000)
House bill, 1970.....	12, 000, 000	(1, 648, 000)
Proposed Senate committee recommendation.....	12, 000, 000	(1, 648, 000)

A direct appropriation of \$12 million and a transfer from premium income of \$1,648,000 for a total of \$13,648,000 is recommended. This is the amount of the budget estimate and the amount carried in the House bill, and is a net increase of \$264,500 over the amount appropriated to date for fiscal 1969.

SUBSCRIPTION TO CAPITAL

1969 new budget (obligational) authority.....	0
1970 budget estimates of new (obligational) authority.....	\$10, 000, 000
House bill—New (obligational) authority.....	10, 000, 000
Committee recommendation—New (obligational) authority.....	10, 000, 000

An appropriation of \$10 million is recommended to provide the Corporation with sufficient capital for fiscal 1970. Recent heavy crop losses, resulting in unexpected indemnity payments during 1969, have reduced the capital and the recommended addition to capital will enable the agency to meet losses in 1970, as well as to provide a reserve for further unforeseen contingencies.

The recommended appropriation is the amount provided in the House bill and requested in the budget estimate.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

1969:	
Appropriation.....	¹ \$4, 188, 112, 500
Contract Authorization.....	1, 579, 078, 000
1970 Budget Estimate:	
Appropriation.....	5, 215, 934, 000
Liquidation of Contract Authorization.....	1, 560, 192, 000
New Budget Authorization.....	3, 655, 742, 000
House Bill:	
Appropriation.....	4, 965, 934, 000
Liquidation of Contract Authorization.....	1, 560, 192, 000
New Budget Authorization.....	3, 405, 742, 000
Committee Recommendation:	
Appropriation.....	5, 215, 934, 000
Liquidation of Contract Authorization.....	1, 560, 192, 000
New Budget Authorization.....	3, 655, 742, 000

¹ Includes \$1,000,000,000 supplemental appropriation contained in H.J. Res. 584.

The committee recommends an appropriation of \$5,215,934,000 to reimburse the capital impairment of the Commodity Credit Corporation for losses incurred in previous years as follows:

Balance of 1961 inventory revaluation.....	\$57, 047, 170
Full reimbursement of 1967 losses.....	2, 210, 668, 971
Partial reimbursement of 1968 losses.....	2, 948, 217, 859

The amount proposed includes \$1,560,192,000 to liquidate contract authorization established in fiscal year 1969, and payable against obligations in fiscal 1970. The new obligational authority recommended is the amount of \$3,655,742,000, the same as the budget estimate, \$250 million above the House amount, and \$1,760,981,500 under the obligational authority provided in the fiscal year 1969 Appropriation Act. This amount will restore all prior year losses with the exception of \$250 million incurred in fiscal year 1968, and the current year losses.

The borrowing authority estimated to be available June 30, 1969, is \$619 million, and the estimate for June 30, 1970, is estimated at \$2,027 million, taking into consideration the reimbursement for losses recommended in this bill.

Public Law 97-155 authorizes the reimbursement of realized losses of the Corporation by appropriation as soon as the losses are ascertained and entered upon the books of the Corporation. In past years, this committee has diligently attempted to have these losses restored on a current basis, and in this effort has secured the cooperation of the Department of Agriculture. However, last year, since the Bureau of the Budget refused to request full or adequate restoration in the fiscal year 1969 budget, and then refused to request reinstatement of the amount further deleted by the House, the committee decided they would not make further restoration attempts in order to clearly show the Bureau of the Budget the consequences of their shortsighted policy.

Last year, the committee stated in the report that the failure to request further restorations would result in the need for a supplemental appropriation. That statement proved to be accurate. House document 91-76, transmitted to Congress on February 20, 1969, requested \$1 billion for restoration of capital impairment of the CCC. Public Law 91-7, which contained these funds, was approved April 1, 1969.

The decision of the executive department to request restoration of all prior year losses except for \$250 million of those incurred in 1968, is a move in the right direction. The committee welcomes this action on behalf of the Department and the Bureau of the Budget and hopes that next year they will complete the job of restoring the balance of the 1968 losses and include a request for full restoration of the current year losses, and thus place this bookkeeping appropriation on a current basis as intended by Public Law 87-155.

LIMITATION ON ADMINISTRATIVE EXPENSES

1969 new budget (obligational) authority.....	(\$31, 500, 000)
1970 budget estimates of new (obligational) authority.....	(32, 000, 000)
House bill—new (obligational) authority.....	(31, 500, 000)
Committee recommendation—new (obligational) authority.....	(32, 000, 000)

The Commodity Credit Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, food, feeds, and fibers. Its purposes include stabil-

izing, supporting, and protecting farm income and prices; assisting in the maintenance of balance and adequate supplies of such commodities; and facilitating their orderly distribution. The Corporation also makes available materials and facilities required in connection with the production and marketing of such commodities.

The Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion. Funds are borrowed from the Federal Treasury and may also be borrowed from private lending agencies. In connection with loan guarantees, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by lending agencies or certificates of interest issued in connection with the financing of price-support operations. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the act of March 8, 1939 (15 U.S.C. 713a-4).

An administrative expense limitation of \$32 million is recommended. This is the amount of the revised estimate and is an increase of \$500,000 over the House bill, and the limitation for fiscal year 1969. The increase in the limitation on administrative expenses of the CCC, and the need for it is brought about by the establishment of the Export Marketing Service which will be financed completely from CCC funds to simplify administration.

The revised budget estimate decreases by \$450,000 the direct appropriation to the Foreign Agricultural Service which, in part, carried out some of the functions recently assigned to the new Export Marketing Service. Thus, the \$500,000 increase in limitation is offset by that \$450,000 reduction and will result in a \$50,000 increase over 1969.

PUBLIC LAW 480

The committee recommends a total appropriation of \$935 million for financing title I and II of Public Law 480, as amended. This is a net increase of \$635 million over the amount appropriated in fiscal year 1969; \$51,600,000 under the 1970 budget estimate and \$35 million over the House bill. The amounts recommended are described below:

Titles.....	1969 new budget (obligational) authority	1970 estimates new budget (obligational) authority	House bill 1970	Senate committee 1970
Title I—Sales of Agricultural Commodities.....	\$100, 000, 000	\$427, 400, 000	\$400, 000, 000	\$420, 000, 000
Title II—Donations Abroad.....	200, 000, 000	559, 200, 000	500, 000, 000	515, 000, 000
Total, Public Law 480.....	300, 000, 000	986, 600, 000	900, 000, 000	935, 000, 000

An appropriation of \$420 million is recommended for title I for sale of commodities for credit and for concessional sales. This is an increase in appropriation of \$320 million over 1969, a reduction in the estimate of \$7,400,000, and an increase of \$20,000,000 over the House bill. This new appropriation, plus \$118,900,000 carry-over estimated to be available and \$281 million estimated to be available from repayments and proceeds, will provide a program level of \$819,900,000.

For title II, donations abroad, an appropriation of \$515 million is recommended. This amount minus the deficit of \$174.7 million which

will have to be repaid from these appropriated funds, will leave a program level of \$340,300,000 for fiscal year 1970.

BARTERED MATERIAL FOR SUPPLEMENTAL STOCKPILE

1969 new budget (obligational)	0
1970 budget estimates of new (obligational) authority	\$1, 500, 000
House bill—new (obligational) authority	750, 000
Committee recommendation—new (obligational) authority	1, 250, 000

An appropriation of \$1,250,000 is recommended to pay the expenses of liquidating outstanding barter contracts. The amount provided is \$500,000 over the House bill, and \$250,000 under the estimate. The committee is advised that this amount will be sufficient to reimburse the CCC for the cost of materials under existing contracts.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

1969 new budget (obligational) authority to date ¹	(\$3, 533, 000)
1970 budget estimates of new (obligational) authority	(3, 628, 000)
House bill—New (obligational) authority	(3, 628, 000)
Committee recommendation—New (obligational) authority	(3, 628, 000)

¹ Excludes reductions made pursuant to Public Law 90-364 and includes a proposed supplemental for \$97,000 pay costs in 1969.

The Administration supervises, examines and provides facilities and services to a coordinated system of Farm Credit banks and associations making loans to farmers and their cooperatives. A fundamental principle of supervision is the encouragement and development of agricultural cooperative agencies, rendering constructive credit service to farmers at minimum cost and with complete farmer ownership an ultimate objective of the agencies supervised. Services and facilities furnished by the Administration facilitate the operations of the banks and associations under its supervision and their progress toward farmer ownership. Typical services are: custody of collateral for bonds and debentures, assistance in financing and investments, credit analysis, development of land appraisal standards and policies, preparation of reports and budgets, and preparation and distribution of information on farm credit. All expenses of these activities are paid by assessments collected from the banks and associations of the Farm Credit System.

Since December 4, 1953, the Administration has been an independent agency under the direction of a Federal Farm Credit Board (12 U.S.C. 636b). The Administration, originally created by Executive Order No. 6084 on May 27, 1933, was transferred to the Department of Agriculture on July 1, 1939, by Reorganization Plan No. 1.

Under "Limitation on Administrative Expenses" the committee recommends \$3,628,000 for the Farm Credit Administration. This is the amount carried in the House bill, the amount of the budget estimate, and an increase of \$192,000 over the amount authorized last year.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND THE BUDGET ESTIMATES FOR 1970

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL FUNDS

[Becomes available automatically under earlier, or "permanent," law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

Agency and item (1)	New budget (obligational) authority, 1969 (2)	Budget estimate of new (obligational) authority, 1970 (3)	Increase (+) or decrease (-) (4)
Permanent appropriations:			
Agricultural Research Service: Animal quarantine station.....		\$426, 600	+\$426, 600
Consumer and Marketing Service:			
Removal of surplus agricultural commodities (sec. 32)	1 \$589, 227, 883	1 657, 297, 000	+68, 069, 117
Perishable Agricultural Commodities Act fund....	932, 000	988, 000	+56, 000
Total, Consumer and Marketing Service	590, 159, 883	638, 285, 000	+68, 125, 117
Agricultural Stabilization and Conservation Service: National Wool Act.....	72, 451, 002	64, 776, 000	-7, 675, 002
Farmers Home Administration: Sales insufficiencies.....	579, 000	1, 278, 000	+699, 000
Total, permanent appropriations.	663, 189, 885	724, 765, 600	+61, 575, 715

¹ Includes transfers to other appropriation items as shown in later tables.

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—TRUST FUNDS

[Becomes available automatically under earlier, or "permanent," law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

Agency and item (1)	New budget (obligational) authority, 1969 (2)	Budget estimate of new (obligational) authority, 1970 (3)	Increase (+) or decrease (—) (4)
Agricultural Research Service: Miscellaneous trust funds.....	\$1,393,000	\$1,212,000	—\$181,000
Soil Conservation Service: Miscellaneous contributed funds.....	1,100,000	1,200,000	+100,000
Economic Research Service: Miscellaneous contributed funds.....	35,000	35,000	-----
Consumer and Marketing Service: Fees for inspection and grading.....	32,855,000	33,717,000	+862,000
Other agencies: Miscellaneous contributed funds.....	20,000	25,000	+5,000
Total, trust funds.....	35,403,000	36,189,000	+786,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	Amount recommended by Senate committee for 1970	Increase (+) or decrease (—), Senate bill compared with—		
					Appropriations or new (budget) obligational authority, fiscal year 1969 to date	Budget estimates, 1970	House bill, 1970
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TITLE I—GENERAL ACTIVITIES							
Agricultural Research Service:							
Salaries and expenses:							
Research:							
Direct appropriation.....							
Transfer from sec. 32.....							
Total, research.....							
Plant and animal disease and pest control.							
Special fund (reappropriation).....							
Total, salaries and expenses.....							
Salaries and expenses (special foreign currency program).....							
Total, Agricultural Research Service.....							
Cooperative State Research Service: Payments and expenses.....							

Extension Service:							
Payments to States and Puerto Rico.....	81,607,500	113,131,000	112,391,000	114,131,000	+32,523,500	+1,000,000	+1,740,000
Retirement and employees' compensation* costs for extension agents.....	9,318,500	10,240,000	10,000,000	10,240,000	+921,500	-----	+240,000
Penalty mail.....	3,299,000	3,500,000	3,400,000	3,400,000	+101,000	-100,000	-----
Federal Extension Service.....	2,838,000	4,038,000	3,338,000	3,838,000	+1,000,000	-200,000	+500,000
Total, Extension Service.....	97,063,000	130,909,000	129,129,000	131,609,000	+34,546,000	+700,000	+2,480,000
Farmer Cooperative Service: Salaries and ex- penses.....	1,341,000	1,635,000	1,500,000	1,635,000	+294,000	-----	+135,000
Soil Conservation Service:							
Conservation operations.....	114,893,000	118,786,000	118,786,000	118,786,000	+3,893,000	-----	-----
River basin surveys and investigations.....	8,780,000	8,187,000	8,187,000	8,187,000	-593,000	-----	-----
Watershed planning.....	6,165,000	6,209,000	6,209,000	5,000,000	-1,165,000	-1,209,000	-1,209,000
Watershed works of improvement.....	57,220,000	55,078,000	57,873,000	63,873,000	+6,653,000	+8,795,000	+6,000,000
Flood prevention.....	20,000,000	20,223,000	20,223,000	20,223,000	+223,000	-----	-----
Great Plains conservation program.....	16,000,000	14,000,000	15,000,000	15,000,000	-1,000,000	+1,000,000	-----
Resource conservation and development.....	6,256,000	8,452,000	7,452,000	10,252,000	+3,996,000	+1,800,000	+2,800,000
Total, Soil Conservation Service.....	229,314,000	230,935,000	233,730,000	241,321,000	+12,007,000	+10,386,000	+7,591,000
Economic Research Service: Salaries and expenses.	12,789,000	13,562,000	13,450,000	13,562,000	+773,000	-----	+112,000
Statistical Reporting Service: Salaries and ex- penses.....	14,326,000	15,055,000	14,950,000	16,375,600	+2,049,600	+1,320,600	+1,425,600
Consumer and Marketing Service:							
Consumer protective, marketing, and regula- tory programs.....	116,264,500	135,254,200	130,867,000	134,695,500	+18,431,000	-558,700	+3,828,500
Payments to States and possessions.....	1,750,000	1,600,000	1,600,000	1,600,000	-150,000	-----	-----
Special milk program: Transfer from sec. 32.....	(104,000,000)	-----	(120,000,000)	-----	(-104,000,000)	-----	(-120,000,000)
Direct appropriation.....	-----	-----	-----	184,000,000	+84,000,000	+84,000,000	+84,000,000

See footnote at end of table, p. 53.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET
ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued**

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1969 (2)	Budget estimates of new (obligational) authority, fiscal year 1970 (3)	New budget (obligational) authority recommended in House bill (4)	Amount recommended by Senate committee for 1970 (5)	Increase (+) or decrease (-), Senate bill compared with—		
					Appropriations or new (budget) obligational authority, fiscal year 1969 to date (6)	Budget estimates, 1970 (7)	House bill, 1970 (8)
TITLE I—GENERAL ACTIVITIES—Con.							
Consumer and Marketing Service—Continued							
Child nutrition programs (school lunch pro- gram):							
Direct appropriation.....	\$188,474,000	\$117,500,000	\$117,500,000	\$117,500,000	—\$70,974,000	-----	-----
Transfer from sec. 32.....	(64,925,000)	(194,266,000)	(194,266,000)	(194,266,000)	(+129,941,000)	(-----)	(-----)
Total, child nutrition programs.....	(252,799,000)	(311,766,000)	(311,766,000)	(311,766,000)	(+58,967,000)	(-----)	(-----)
Food stamp program.....	280,000,000	340,000,000	340,000,000	750,000,000	+470,000,000	+410,000,000	+410,000,000
Total, Consumer and Marketing Service.....	586,488,500	594,354,200	589,967,000	1,087,795,500	+501,307,000	+493,441,300	+497,828,500
Foreign Agricultural Service:							
Salaries and expenses.....	21,541,300	23,937,000	22,937,000	23,937,000	+2,395,700	-----	+1,000,000
Transfer from sec. 32.....	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)	-----	-----	-----
Transfer from CCC.....	(2,017,550)	(107,000)	(107,000)	(107,000)	(-1,910,350)	-----	-----
Total, Foreign Agricultural Service.....	(26,675,650)	(27,161,000)	(26,161,000)	(27,161,000)	(+485,350)	(-----)	(+1,000,000)

Commodity Exchange Authority: Salaries and expenses.....	1, 830, 000	2, 321, 000	2, 100, 000	2, 321, 000	+491, 000	-----	+221, 000
Agricultural Stabilization and Conservation Service:							
Expenses, ASCS:							
Direct appropriation.....	141, 031, 400	128, 870, 000	147, 420, 000	146, 000, 000	+4, 968, 600	+17, 130, 000	-1, 420, 000
Transfer from CCC.....	(62, 764, 100)	(62, 483, 000)	(62, 483, 000)	(62, 483, 000)	(-281, 100)	-----	-----
Total, expenses, ASCS.....	(203, 795, 500)	(191, 353, 000)	(209, 903, 000)	(208, 483, 000)	(+4, 687, 500)	(+17, 130, 000)	(-1, 420, 000)
Sugar Act program.....	82, 000, 000	96, 300, 000	89, 500, 000	93, 000, 000	+11, 000, 000	-3, 300, 000	+3, 500, 000
Agricultural conservation program: Liquidation of contract authorization.....	(190, 000, 000)	(195, 500, 000)	(195, 500, 000)	(195, 500, 000)	(+5, 500, 000)	-----	-----
Advance authorization 1970 program (contract authorization).....	195, 500, 000	-----	195, 500, 000	185, 000, 000	-10, 500, 000	+185, 000, 000	-10, 500, 000
Cropland adjustment program:							
Appropriation.....	84, 500, 000	79, 330, 000	78, 000, 000	78, 600, 000	-5, 900, 000	-730, 000	+600, 000
Limitation on authorization for 1970 program.....	-----	(99, 300, 000)	-----	(99, 300, 000)	(+99, 300, 000)	-----	(+99, 300, 000)
Conservation reserve program.....	109, 000, 000	37, 900, 000	37, 500, 000	37, 250, 000	-71, 750, 000	-650, 000	-250, 000
Emergency conservation measures.....	5, 000, 000	5, 000, 000	5, 000, 000	5, 000, 000	-----	-----	-----
Indemnity payments to dairy farmers.....	300, 000	200, 000	200, 000	200, 000	-100, 000	-----	-----
Total Agricultural Stabilization and Conservation Service.....	617, 331, 400	347, 600, 000	553, 120, 000	545, 050, 000	-72, 281, 400	+197, 450, 000	-8, 070, 000
Rural Community Development Service: Salaries and expenses.....	463, 000	450, 000	450, 000	450, 000	-13, 000	-----	-----
Office of the Inspector General: Salaries and expenses.....	12, 426, 000	13, 925, 000	13, 389, 000	13, 925, 000	+1, 499, 000	-----	+536, 000
Packers and Stockyards Administration: Salaries and expenses.....	2, 815, 300	3, 509, 300	3, 200, 000	3, 509, 300	+694, 000	-----	+309, 300
Office of the General Counsel: Salaries and expenses.....	4, 611, 000	5, 559, 000	5, 000, 000	5, 459, 000	+848, 000	-100, 000	+459, 000
Office of Information: Salaries and expenses.....	1, 997, 000	2, 164, 000	2, 106, 000	2, 106, 000	+109, 000	-58, 000	-----

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET
ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued**

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET
ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued**

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item	Increase (+) or decrease (—), Senate bill compared with—						
	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	Amount recommended by Senate committee for 1970	Appropriations or new (budget) obligational authority, fiscal year 1969 to date	Budget estimates, 1970	House bill, 1970
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TITLE III—CORPORATIONS—Continued							
Commodity Credit Corporation:							
Reimbursement for net realized losses:							
Appropriation.....	\$4,188,112,500	\$5,215,934,000	\$4,965,934,000	\$5,215,934,000	+\$1,027,821,500	-----	+\$250,000,000
Contract authority ²	+1,579,078,000	-----	-----	-----	-1,579,078,000	-----	-----
Liquidation of contract authority.....	-350,467,000	-1,560,192,000	-1,560,192,000	-1,560,192,000	-1,209,725,000	-----	-----
Budget authority.....	5,416,723,500	3,655,742,000	3,405,742,000	3,655,742,000	-1,760,981,500	-----	+250,000,000
Limitation on administrative expenses.....	(31,500,000)	(32,000,000)	(31,500,000)	(32,000,000)	(+500,000)	(-----)	(+500,000)
Public Law 480:							
Sales, title I.....	100,000,000	427,400,000	400,000,000	420,000,000	+320,000,000	-7,400,000	+20,000,000
Donations, title II.....	200,000,000	559,200,000	500,000,000	515,000,000	+315,000,000	-44,200,000	+15,000,000
Total, Public Law 480.....	300,000,000	986,600,000	900,000,000	935,000,000	+635,000,000	-51,600,000	+35,000,000
Bartered materials for supplemental stockpile.....	-----	1,500,000	750,000	1,250,000	+1,250,000	-250,000	+500,000
Total, new budget (obligational) authority, title III, corporations.....	5,727,967,000	4,665,842,000	4,328,492,000	4,613,992,000	-1,113,975,000	-51,850,000	+285,500,000

TITLE IV—RELATED AGENCIES

Farm Credit Administration: Limitation on administrative expenses-----

RECAPITULATION

Title I—General activities-----

Title II—Credit agencies-----

Title III—Corporations-----

Total, new budget (obligational) authority-----

Consisting of:

1. Appropriations-----

2. Reappropriations-----

3. Contract authorizations-----

4. Authorizations to spend from debt receipts-----

Memoranda:

1. Appropriations to liquidate contract authorizations-----

2. Appropriations, including appropriations to liquidate contract authority-----

3. Transfers from sec. 32-----

4. Transfer from CCC-----

Total, new budget (obligational) authority-----

Less: Loan repayments, Rural Electrification Administration³-----

Net total, new budget (obligational) authority-----

(3, 436, 000)	(3, 628, 000)	(3, 628, 000)	(+192, 000)	(-----)	(-----)
1, 896, 447, 650	1, 691, 088, 050	1, 881, 416, 000	+497, 511, 000	+702, 870, 600	+512, 542, 650
554, 485, 000	610, 632, 000	596, 747, 000	+74, 362, 000	+18, 215, 000	+32, 100, 000
5, 727, 967, 000	4, 665, 842, 000	4, 328, 492, 000	-1, 113, 975, 000	-51, 850, 000	+285, 500, 000
8, 178, 899, 650	6, 967, 562, 050	6, 806, 655, 000	-542, 102, 000	+669, 235, 600	+830, 142, 650
5, 953, 321, 650	6, 524, 952, 050	6, 167, 855, 000	+1, 035, 176, 000	+464, 235, 600	+820, 642, 650
2, 000, 000			-2, 000, 000		
1, 774, 578, 000		195, 500, 000	-1, 589, 578, 000	+185, 000, 000	-10, 500, 000
449, 000, 000	443, 300, 000	443, 300, 000	+14, 300, 000	+30, 000, 000	+30, 000, 000
540, 467, 000	1, 755, 692, 000	1, 755, 692, 000	+1, 215, 225, 000		
6, 493, 738, 650	8, 279, 954, 050	7, 923, 547, 000	+2, 250, 401, 000	+464, 235, 600	+820, 642, 650
186, 442, 000	212, 333, 000	332, 333, 000	+25, 941, 000		-120, 000, 000
64, 781, 450	62, 590, 000	62, 590, 000	-2, 191, 450		
8, 178, 899, 650	6, 967, 562, 050	7, 636, 797, 650	-542, 102, 000	+669, 235, 600	+830, 142, 650
-189, 500, 000	-189, 300, 000	-189, 300, 000	+200, 000		
7, 989, 399, 650	6, 778, 262, 050	6, 617, 355, 000	-541, 902, 000	+669, 235, 600	+830, 142, 650

¹ Senate bill provides 84,000,000 in direct appropriations for special milk program. This amount plus 20,000,000 available from Sec. 32 will provide a total level of 104,000,000 for special milk purposes.

² Contract authorization established under basic law.

³ Deducting REA loan repayments from these totals has the effect of converting these figures to a basis comparable with the treatment of all other major loan programs in the Federal budget. Other loan programs operated through revolving funds net loan repayments against budget outlays, whereas REA loan repayments are covered into miscellaneous receipts of the Treasury.

Calendar No. 269

91ST CONGRESS
1ST SESSION

H. R. 11612

[Report No. 91-277]

IN THE SENATE OF THE UNITED STATES

JUNE 25, 1969

Reported by Mr. HOLLAND, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, for the Depart-
- 5 ment of Agriculture and related agencies for the fiscal
- 6 year ending June 30, 1970, and for other purposes; namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—GENERAL ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, marketing, nutrition and
7 consumer use, to control and eradicate pests and plant and
8 animal diseases, and to perform related inspection, quaran-
9 tine and regulatory work: *Provided*, That appropriations
10 hereunder shall be available for field employment pursuant
11 to the second sentence of section 706 (a) of the Organic Act
12 of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall
13 be available for employment under 5 U.S.C 3109: *Provided*
14 *further*, That appropriations hereunder shall be available for
15 the operation and maintenance of aircraft and the purchase
16 of not to exceed two for replacement only: *Provided*
17 *further*, That appropriations hereunder shall be available
18 pursuant to 7 U.S.C. 2250, for the construction, alteration,
19 and repair of buildings and improvements, but unless other-
20 wise provided, the cost of constructing any one building
21 (except headhouses connecting greenhouses) shall not ex-
22 ceed \$25,000, except for six buildings to be constructed
23 or improved at a cost not to exceed \$55,000 each, and the
24 cost of altering any one building during the fiscal year shall
25 not exceed \$7,500 or 7.5 per centum of the cost of the build-

ing, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for facilities at Beltsville, Maryland: *Provided, further, That the limitations on construction contained in this Act shall not apply to a total of \$350,000 for construction of a new animal disease and parasite research facility, at Beltsville, Maryland:*

Research: For research and demonstrations on the production and utilization of agricultural products; agricultural marketing and distribution, not otherwise provided for; home economics or nutrition and consumer use of agricultural and associated products; and related research and services; and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100; ~~\$130,182,000~~ \$134,452,000, and in addition not to exceed \$15,000,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 shall be transferred to and merged with this appropriation, of which ~~\$710,000~~ \$2,306,000 shall remain available until expended for plans, construction, and improvement of facilities without regard to limitations contained herein: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That none of the funds appropriated in this Act shall be used to

1 formulate a budget estimate for fiscal 1971 of more than
2 \$15,000,000 for research to be financed by transfer from
3 funds available under section 32 of the Act of August 24,
4 1935, and pursuant to Public Law 88-250;

5 Plant and animal disease and pest control: For opera-
6 tions and measures, not otherwise provided for, to control
7 and eradicate pests and plant and animal diseases and for
8 carrying out assigned inspection, quarantine, and regulatory
9 activities, as authorized by law, including expenses pursuant
10 to the Act of February 28, 1947, as amended (21 U.S.C.
11 114b-c), ~~\$89,493,000~~ \$92,126,500, of which \$1,500,000
12 shall be apportioned to use pursuant to section 3679 of the
13 Revised Statutes, as amended, for the control of outbreaks
14 of insects, plant diseases and animal diseases to the extent
15 necessary to meet emergency conditions: *Provided*, That no
16 funds shall be used to formulate or administer a brucellosis
17 eradication program for the current fiscal year that does not
18 require minimum matching by any State of at least 40 per
19 centum: *Provided further*, That not to exceed ~~\$1,000,000~~
20 \$2,000,000 shall remain available until expended for con-
21 struction of facilities without regard to limitations contained
22 herein: *Provided further*, That, in addition, in emergencies
23 which threaten the livestock or poultry industries of the
24 country, the Secretary may transfer from other appropria-
25 tions or funds available to the agencies or corporations of

1 the Department such sums as he may deem necessary, to
2 be available only in such emergencies for the arrest and
3 eradication of foot-and-mouth disease, rinderpest, contagious
4 pleuropneumonia, or other contagious or infectious diseases
5 of animals, or European fowl pest and similar diseases in
6 poultry, and for expenses in accordance with the Act of
7 February 28, 1947, as amended, and any unexpended bal-
8 ances of funds transferred under this head in the next pre-
9 ceding fiscal year shall be merged with such transferred
10 amounts;

11 Special fund: To provide for additional labor, sub-
12 professional and junior scientific help to be employed under
13 contracts and cooperative agreements to strengthen the work
14 at research installations in the field, not more than \$2,000,-
15 000 of the amount appropriated under this head for the
16 previous fiscal year may be used by the Administrator of
17 the Agricultural Research Service in departmental research
18 programs in the current fiscal year, the amount so used to be
19 transferred to and merged with the appropriation otherwise
20 available under "Salaries and expenses, Research".

21 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
22 PROGRAM)

23 For payments, in foreign currencies owed to or owned
24 by the United States for market development research
25 authorized by section 104 (b) (1) and for agricultural and

1 forestry research and other functions related thereto author-
 2 ized by section 104(b) (3) of the Agricultural Trade
 3 Development and Assistance Act of 1954, as amended (7
 4 U.S.C. 1704 (b) (1), (3)), ~~\$4,500,000~~, \$5,500,000 to
 5 remain available until expended: *Provided*, That this appro-
 6 priation shall be available, in addition to other appropriations
 7 for these purposes, for payments in the foregoing currencies:
 8 *Provided further*, That funds appropriated herein shall be
 9 used for payments in such foreign currencies as the Depart-
 10 ment determines are needed and can be used most effectively
 11 to carry out the purposes of this paragraph: *Provided further*,
 12 That not to exceed \$25,000 of this appropriation shall
 13 be available for payments in foreign currencies for expenses
 14 of employment pursuant to the second sentence of section
 15 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), as
 16 amended by 5 U.S.C. 3109.

17 COOPERATIVE STATE RESEARCH SERVICE

18 PAYMENTS AND EXPENSES

19 For payments to agricultural experiment stations, for
 20 grants for cooperative forestry and other research, for facili-
 21 ties, and for other expenses, including ~~\$53,854,000~~ \$55,189,-
 22 000 to carry into effect the provisions of the Hatch Act, ap-
 23 proved March 2, 1887, as amended by the Act approved
 24 August 11, 1955 (7 U.S.C. 361a-361i), including adminis-
 25 tration by the United States Department of Agriculture;

1 \$3,785,000 for grants for cooperative forestry research under
 2 the Act approved October 10, 1962 (16 U.S.C. 582a-
 3 582a-7), ~~\$2,000,000~~ \$2,150,000 in addition to funds other-
 4 wise available for contracts and grants for scientific research
 5 under the Act of August 4, 1965 (7 U.S.C. 450i), of which
 6 \$1,000,000 shall be for the special cotton research program
 7 and \$400,000 for soybean research; ~~\$1,000,000 for grants~~
 8 ~~for facilities under the Act approved July 22, 1963 (7~~
 9 ~~U.S.C. 390-390k)~~; \$160,000 for penalty mail costs of agri-
 10 cultural experiment stations under section 6 of the Hatch Act
 11 of 1887, as amended; and ~~\$376,000~~ \$426,000 for necessary
 12 expenses of the Cooperative State Research Service, includ-
 13 ing administration of payments to State agricultural experi-
 14 ment stations, funds for employment pursuant to the second
 15 sentence of section 706 (a) of the Organic Act of 1944 (7
 16 U.S.C. 2225), and not to exceed \$50,000 for employment
 17 under 5 U.S.C. 3109; in all, ~~\$61,175,000~~ \$61,710,000.

18 EXTENSION SERVICE

19 COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

20 Payments to States and Puerto Rico: For payments
 21 for cooperative agricultural extension work under the Smith-
 22 Lever Act, as amended by the Act of June 26, 1953, the
 23 Act of August 11, 1955, and the Act of October 5, 1962
 24 (7 U.S.C. 341-349), to be distributed under sections 3 (b)
 25 and 3 (c) of the Act. ~~\$82,006,000~~ \$83,621,000; payments

1 for the nutrition education program for low-income areas
 2 under section 3 (d) of the Act, \$28,560,000; payments and
 3 contracts for such work under section 204 (b)–205 of the
 4 Agricultural Marketing Act of 1946 (7 U.S.C. 1623–1624),
 5 \$1,450,000; and payments for extension work under section
 6 109 of the District of Columbia Public Education Act, as
 7 amended by the Act of June 20, 1968 (7 U.S.C. 329),
 8 ~~\$375,000~~ \$500,000; in all, ~~\$112,391,000~~ \$114,131,000:
 9 *Provided*, That funds hereby appropriated pursuant to sec-
 10 tion 3 (c) of the Act of June 26, 1953, shall not be paid
 11 to any State or Puerto Rico prior to availability of an equal
 12 sum from non-Federal sources for expenditure during the
 13 current fiscal year.

14 Retirement and employees' compensation costs for
 15 extension agents: For cost of employer's share of Federal
 16 retirement and for reimbursement for benefits paid from
 17 the Employees' Compensation Fund for cooperative ex-
 18 tension employees, ~~\$10,000,000~~ \$10,240,000.

19 Penalty mail: For costs of penalty mail for cooperative
 20 extension agents and State extension directors, \$3,400,000.

21 Federal Extension Service: For administration of the
 22 Smith-Lever Act, as amended by the Act of June 26, 1953,
 23 the Act of August 11, 1955, and the Act of October 5,
 24 1962 (7 U.S.C. 341–349), and extension aspects of the
 25 Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627),

1 and of the District of Columbia Public Education Act, as
 2 amended by the Act of June 20, 1968 (7 U.S.C. 329),
 3 and to coordinate and provide program leadership for the
 4 extension work of the Department and the several States
 5 and insular possessions, ~~\$3,338,000~~ \$3,838,000.

6 FARMER COOPERATIVE SERVICE

7 SALARIES AND EXPENSES

8 For necessary expenses to carry out the Act of July 2,
 9 1926 (7 U.S.C. 451-457), and for conducting research
 10 relating to the economic and marketing aspects of farmer co-
 11 operatives, as authorized by the Agricultural Marketing Act
 12 of 1946 (7 U.S.C. 1621-1627), ~~\$1,500,000~~ \$1,635,000.

13 SOIL CONSERVATION SERVICE

14 CONSERVATION OPERATIONS

15 For necessary expenses for carrying out the provisions
 16 of the Act of April 27, 1935 (16 U.S.C. 590a-590f),
 17 including preparation of conservation plans and establish-
 18 ment of measures to conserve soil and water (including
 19 farm irrigation and land drainage and such special measures
 20 as may be necessary to prevent floods and the siltation of
 21 reservoirs); operation of conservation nurseries; classifica-
 22 tion and mapping of soil; dissemination of information;
 23 purchase and erection or alteration of permanent buildings;
 24 and operation and maintenance of aircraft, \$118,786,000:

1 *Provided*, That the cost of any permanent building pur-
2 chased, erected, or as improved, exclusive of the cost of
3 constructing a water supply or sanitary system and con-
4 necting the same to any such building and with the
5 exception of buildings acquired in conjunction with land
6 being purchased for other purposes, shall not exceed \$2,500;
7 except for one building to be constructed at a cost not to
8 exceed \$25,000 and eight buildings to be constructed or
9 improved at a cost not to exceed \$15,000 per building
10 and except that alterations or improvements to other exist-
11 ing permanent buildings costing \$2,500 or more may be
12 made in any fiscal year in an amount not to exceed \$500
13 per building: *Provided further*, That no part of this appro-
14 priation shall be available for the construction of any such
15 building on land not owned by the Government: *Provided*
16 *further*, That no part of this appropriation may be expended
17 for soil and water conservation operations under the Act
18 of April 27, 1935 (16 U.S.C. 590a-590f) in demonstration
19 projects: *Provided further*, That this appropriation shall be
20 available for field employment pursuant to the second sen-
21 tence of section 706 (a) of the Organic Act of 1944 (7
22 U.S.C. 2225), and not to exceed \$5,000 shall be available
23 for employment under 5 U.S.C. 3109: *Provided further*,
24 That qualified local engineers may be temporarily employed

1 at per diem rates to perform the technical planning work
2 of the service.

3 RIVER BASIN SURVEYS AND INVESTIGATIONS

4 For necessary expenses to conduct research, investiga-
5 tions and surveys of the watersheds of rivers and other water-
6 ways, in accordance with section 6 of the Watershed Pro-
7 tection and Flood Prevention Act, approved August 4, 1954,
8 as amended (16 U.S.C. 1006), to remain available until
9 expended; \$8,187,000, with which shall be merged the un-
10 expended balances of funds heretofore appropriated to the
11 Department for river basin survey purposes: *Provided*, That
12 this appropriation shall be available for field employment
13 pursuant to the second sentence of section 706 (a) of the
14 Organic Act of 1944 (7 U.S.C. 2225), and not to exceed
15 \$60,000 shall be available for employment under 5 U.S.C.
16 3109.

17 WATERSHED PLANNING

18 For necessary expenses for small watershed investiga-
19 tions and planning, in accordance with the Watershed Pro-
20 tection and Flood Prevention Act, as amended (16 U.S.C.
21 1001-1008), to remain available until expended, ~~\$6,209,-~~
22 ~~000~~ \$5,000,000, with which shall be merged the unexpended
23 balances of funds heretofore appropriated under this head:
24 *Provided*, That this appropriation shall be available for field

1 employment pursuant to the second sentence of section 706
2 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to
3 exceed \$50,000 shall be available for employment under
4 5 U.S.C. 3109.

5 WATERSHED WORKS OF IMPROVEMENT

6 For necessary expenses to carry out preventive meas-
7 ures, including, but not limited to research, engineering oper-
8 ations, methods of cultivation, the growing of vegetation, and
9 changes in use of land, in accordance with the Watershed
10 Protection and Flood Prevention Act, approved August 4,
11 1954, as amended (16 U.S.C. 1001-1005, 1007-1008), and
12 the provisions of the Act of April 27, 1935 (16 U.S.C.
13 590 a-f), to remain available until expended; ~~\$57,873,000~~
14 ~~\$63,873,000~~, with which shall be merged the unexpended
15 balances of funds heretofore appropriated or transferred to the
16 Department for watershed protection purposes: *Provided*,
17 That this appropriation shall be available for field employ-
18 ment pursuant to the second sentence of section 706 (a) of the
19 Organic Act of 1944 (7 U.S.C. 2225), and not to exceed
20 \$100,000 shall be available for employment under 5 U.S.C.
21 3109: *Provided further*, That ~~\$3,000,000~~ ~~\$5,000,000~~ of the
22 funds in the direct loan account of the Farmers Home Ad-
23 ministration shall be available until expended for loans.

FLOOD PREVENTION

For necessary expenses, in accordance with the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701-709, 16 U.S.C. 1006a), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including funds for field employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for employment under 5 U.S.C. 3109, to remain available until expended; \$20,223,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That \$400,000 of funds in the direct loan account of the Farmers Home Administration shall be available until expended for loans.

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16 (b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956 (16 U.S.C. 590p), \$15,000,000, to remain available until expended.

1 **RESOURCE CONSERVATION AND DEVELOPMENT**

2 For necessary expenses in planning and carrying out
3 projects for resource conservation and development, and
4 for sound land use, pursuant to the provisions of section
5 32 (c) of title III of the Bankhead-Jones Farm Tenant Act,
6 as amended (7 U.S.C. 1011; 76 Stat. 607), and the pro-
7 visions of the Act of April 27, 1935 (16 U.S.C. 590a-f),
8 ~~\$7,452,000~~ *\$10,252,000*, to remain available until ex-
9 pended: *Provided*, That the unobligated balance of funds
10 heretofore appropriated under the head "Rural renewal" shall
11 be transferred to and merged with this appropriation: *Pro-*
12 *vided further*, That ~~\$1,500,000~~ *\$3,300,000* of the funds
13 available in the direct loan account of the Farmers Home
14 Administration shall be available for loans under subtitle A
15 of the Consolidated Farmers Home Administration Act of
16 1961, as amended, to remain available until expended: *Pro-*
17 *vided further*, That this appropriation shall be available
18 for field employment pursuant to the second sentence of
19 section 706 (a) of the Organic Act of 1944 (7 U.S.C.
20 2225), and not to exceed \$50,000 shall be available for
21 employment under 5 U.S.C. 3109.

1 ECONOMIC RESEARCH SERVICE

2 SALARIES AND EXPENSES

3 For necessary expenses of the Economic Research Serv-
4 ice in conducting economic research and service relating to
5 agricultural production, marketing, and distribution, as au-
6 thorized by the Agricultural Marketing Act of 1946 (7
7 U.S.C. 1621-1627), and other laws, including economics of
8 marketing; analyses relating to farm prices, income and
9 population, and demand for farm products, use of resources in
10 agriculture, adjustments, costs and returns in farming, and
11 farm finance; and for analyses of supply and demand for farm
12 products in foreign countries and their effect on prospects for
13 United States exports, progress in economic development
14 and its relation to sales of farm products, assembly and anal-
15 ysis of agricultural trade statistics and analysis of interna-
16 tional financial and monetary programs and policies as they
17 affect the competitive position of United States farm prod-
18 ucts; ~~\$13,450,000~~ \$13,562,000: *Provided*, That not less
19 than \$350,000 of the funds contained in this appropriation
20 shall be available to continue to gather statistics and conduct
21 a special study on the price spread between the farmer and

1 consumer: *Provided further*, That this appropriation shall be
2 available for employment pursuant to the second sentence of
3 section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
4 and not to exceed \$75,000 shall be available for employment
5 under 5 U.S.C. 3109: *Provided further*, That not less than
6 \$145,000 of the funds contained in this appropriation shall
7 be available for analysis of statistics and related facts on for-
8 eign production and full and complete information on meth-
9 ods used by other countries to move farm commodities in
10 world trade on a competitive basis.

11 STATISTICAL REPORTING SERVICE

12 SALARIES AND EXPENSES

13 For necessary expenses of the Statistical Reporting
14 Service in conducting statistical reporting and service work,
15 including crop and livestock estimates, statistical coordination
16 and improvements, and marketing surveys, as authorized by
17 the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-
18 1627) and other laws, ~~\$14,950,000~~ \$16,375,600: *Provided*,
19 That no part of the funds herein appropriated shall be avail-
20 able for any expense incident to publishing estimates of apple
21 production for other than the commercial crop: *Provided*
22 *further*, That this appropriation shall be available for em-
23 ployment pursuant to the second sentence of section 706
24 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not

1 to exceed \$40,000 shall be available for employment under
2 5 U.S.C. 3109.

3 CONSUMER AND MARKETING SERVICE

4 CONSUMER PROTECTIVE, MARKETING, AND REGULATORY
5 PROGRAMS

6 For expenses necessary to carry on services related to
7 consumer protection, agricultural marketing and distribution,
8 and regulatory programs, other than Packers and Stock-
9 yards Act, as authorized by law, and for administration and
10 coordination of payments to States; including field employ-
11 ment pursuant to section 706 (a) of the Organic Act of
12 1944 (7 U.S.C. 2225), and not to exceed \$25,000 for
13 employment under 5 U.S.C. 3109, in carrying out section
14 201 (a) to 201 (d), inclusive, of title II of the Agricultural
15 Adjustment Act of 1938 (7 U.S.C. 1291) and section 203
16 (j) of the Agricultural Marketing Act of 1946;
17 ~~\$130,867,000~~ \$134,695,500: *Provided*, That this appropri-
18 ation shall be available pursuant to law (7 U.S.C. 2250) for
19 the alteration and repair of buildings and improvements, but,
20 unless otherwise provided, the cost of altering any one build-
21 ing during the fiscal year shall not exceed \$7,500 or 7.5 per
22 centum of the cost of the building, whichever is greater.

1 PAYMENTS TO STATES AND POSSESSIONS

2 For payments to departments of agriculture, bureaus
3 and departments of markets, and similar agencies for market-
4 ing activities under section 204 (b) of the Agricultural
5 Marketing Act of 1946 (7 U.S.C. 1623 (b)), \$1,600,000.

6 CHILD NUTRITION PROGRAMS

7 For necessary expenses to carry out the provisions of
8 the National School Lunch Act, as amended (42 U.S.C.
9 1751-1761) and the applicable provisions other than section
10 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C.
11 1773-1785), \$247,441,000, of which \$129,941,000 shall
12 be derived by transfer from funds available under section
13 32 of the Act of August 24, 1935 (7 U.S.C. 612c) : *Pro-*
14 *vided*, That of the foregoing total amount there shall be
15 available \$44,800,000 for special assistance to needy schools,
16 \$10,000,000 for the school breakfast program, \$10,000,000
17 for the nonfood assistance program, \$750,000 for State
18 administrative expenses, and \$10,000,000 for special food
19 service programs for children to remain available until Sep-
20 tember 30 of the next succeeding fiscal year: *Provided fur-*
21 *ther*, That no part of this appropriation shall be used for non-
22 food assistance under section 5 of the National School Lunch
23 Act, as amended: *Provided further*, That an additional
24 \$64,325,000 shall be transferred to this appropriation from
25 funds available under section 32 of the Act of August 24,

1 1935 (7 U.S.C. 612c) , for purchase and distribution of agri-
 2 cultural commodities and other foods pursuant to section 6
 3 of the National School Lunch Act, as amended.

4 FOOD STAMP PROGRAM

5 For necessary expenses of the food stamp program
 6 pursuant to the Food Stamp Act of 1964, as amended,
 7 ~~\$340,000,000.~~ \$750,000,000.

8 SPECIAL MILK PROGRAM

9 *For necessary expenses to carry out the provisions of*
 10 *the Special Milk Program, as authorized by section 3 of*
 11 *the Child Nutrition Act of 1966 (42 U.S.C. 1772)*
 12 *\$84,000,000.*

13 REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES

14 (SECTION 32)

15 Funds available under section 32 of the Act of August
 16 24, 1935 (7 U.S.C. 612c) shall be used only for commod-
 17 ity program expenses as authorized therein, and other related
 18 operating expenses, except for (1) transfers to the Depart-
 19 ment of the Interior as authorized by the Fish and Wildlife
 20 Act of August 8, 1956; (2) transfers otherwise provided
 21 in this Act; (3) not more than \$2,900,000 for formulation
 22 and administration of marketing agreements and orders pur-
 23 suant to the Agricultural Marketing Agreement Act of 1937,
 24 as amended, and the Agricultural Act of 1961; and (4) in

1 addition to other amounts provided in this Act, not more
2 than \$100,000,000 (including not to exceed \$2,000,000 for
3 State administrative expenses) for (a) child feeding pro-
4 grams and nutritional programs authorized by law in the
5 School Lunch Act and the Child Nutrition Act, as amended;
6 (b) additional direct distribution or other programs, with-
7 out regard to whether such area is under the food stamp
8 program or a system of direct distribution, to provide, in the
9 immediate vicinity of their place of permanent residence,
10 either directly or through a State or local welfare agency,
11 an adequate diet to other needy children and low-income
12 persons determined by the Secretary of Agriculture to be
13 suffering, through no fault of their own, from general and
14 continued hunger resulting from insufficient food: *Provided,*
15 That in making such determinations, the Secretary shall take
16 into consideration the age; income; location and income
17 of parents, if a minor; and employability *and (c) milk for*
18 *children in nonprofit high schools and schools of lower levels,*
19 *child-care centers, summer camps, and similar nonprofit insti-*
20 *tutions devoted to the care and training of children. For*
21 *necessary expenses to carry out the provisions of the Special*
22 *Milk Program, as authorized by section 3 of the Child Nutri-*
23 *tion Act of 1966 (42 U.S.C. 1772) \$120,000,000, to be*

transferred from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c).

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), ~~\$22,937,000~~ \$23,937,000: *Provided*, That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service.

1 COMMODITY EXCHANGE AUTHORITY

2 SALARIES AND EXPENSES

3 For necessary expenses to carry into effect the provisions
4 of the Commodity Exchange Act, as amended (7 U.S.C.
5 1-17a) , ~~\$2,100,000.~~ \$2,321,000.

6 AGRICULTURAL STABILIZATION AND CONSERVATION

7 SERVICE

8 EXPENSES, AGRICULTURAL STABILIZATION AND

9 CONSERVATION SERVICE

10 For necessary administrative expenses of the Agricul-
11 tural Stabilization and Conservation Service, including ex-
12 penses to formulate and carry out programs authorized by
13 title III of the Agricultural Adjustment Act of 1938, as
14 amended (7 U.S.C. 1301-1393) ; Sugar Act of 1948, as
15 amended (7 U.S.C. 1101-1161) ; sections 7 to 15, 16 (a) ,
16 16 (d) , 16 (e) , 16 (f) , 16 (i) , and 17 of the Soil Conserva-
17 tion and Domestic Allotment Act, as amended (16 U.S.C.
18 590g-590q) ; subtitles B and C of the Soil Bank Act (7
19 U.S.C. 1831-1837, 1802-1814, and 1816) ; and laws per-
20 taining to the Commodity Credit Corporation, ~~\$147,420,-~~
21 ~~000~~ \$146,000,000: *Provided*, That, in addition, not to ex-
22 ceed \$62,483,000 may be transferred to and merged with
23 this appropriation from the Commodity Credit Corporation
24 fund (including not to exceed \$26,757,000 under the limi-
25 tation on Commodity Credit Corporation administrative ex-

1 penses) : *Provided further*, That other funds made available
 2 to the Agricultural Stabilization and Conservation Service
 3 for authorized activities may be advanced to and merged
 4 with this appropriation: *Provided further*, That no part of
 5 the funds appropriated or made available under this Act
 6 shall be used (1) to influence the vote in any referendum;
 7 (2) to influence agricultural legislation, except as permitted
 8 in 18 U.S.C. 1913; or (3) for salaries or other expenses
 9 of members of county and community committees established
 10 pursuant to section 8 (b) of the Soil Conservation and Do-
 11 mestic Allotment Act, as amended, for engaging in any
 12 activities other than advisory and supervisory duties and dele-
 13 gated program functions prescribed in administrative regula-
 14 tions: ~~*Provided further*, That no part of the funds appro-~~
 15 ~~riated by this Act shall be used to formulate or carry out~~
 16 ~~any price support program (other than for sugar) under~~
 17 ~~which payments aggregating more than \$20,000 under all~~
 18 ~~such programs are made to any producer on any crop planted~~
 19 ~~in the fiscal year 1970.~~

20 SUGAR ACT PROGRAM

21 For necessary expenses to carry into effect the pro-
 22 visions of the Sugar Act of 1948 (7 U.S.C. 1101-1161),
 23 ~~\$89,500,000~~ \$93,000,000 remain available until June 30 of
 24 the next succeeding fiscal year.

1 AGRICULTURAL CONSERVATION PROGRAM

2 For necessary expenses to carry into effect the program
3 authorized in sections 7 to 15, 16 (a), and 17 of the Soil
4 Conservation and Domestic Allotment Act, approved February
5 29, 1936, as amended (16 U.S.C. 590g-590o, 590p (a),
6 and 590q), including not to exceed \$15,000 for the prepara-
7 tion and display of exhibits, including such displays at State,
8 interstate, and international fairs within the United States,
9 \$195,500,000, to remain available until December 31 of the
10 next succeeding fiscal year for compliance with the programs
11 of soil-building and soil- and water-conserving practices au-
12 thorized under this head in the Department of Agriculture
13 and Related Agencies Appropriation Acts, 1968 and 1969,
14 carried out during the period July 1, 1967, to December
15 31, 1969, inclusive: *Provided*, That none of the funds
16 herein appropriated shall be used to pay the salaries or
17 expenses of any regional information employees or any
18 State information employees, but this shall not preclude the
19 answering of inquiries or supplying of information at the
20 county level to individual farmers: *Provided further*, That
21 no portion of the funds for the current year's program may
22 be utilized to provide financial or technical assistance for
23 drainage on wetlands now designated as Wetland Types 3
24 (III), 4 (IV), and 5 (V) in United States Department of
25 the Interior, Fish and Wildlife Circular 39, Wetlands of

1 the United States, 1956: *Provided further*, That necessary
2 amounts shall be available for administrative expenses in
3 connection with the formulation and administration of the
4 1970 program of soil-building and soil- and water-conserving
5 practices, including related wildlife conserving practices and
6 pollution abatement practices, under the Act of February 29,
7 1936, as amended (amounting to ~~\$195,500,000~~ \$185,000,-
8 000, excluding administration, except that no participant
9 shall receive more than \$2,500, except where the participants
10 from two or more farms or ranches join to carry out approved
11 practices designed to conserve or improve the agricultural
12 resources of the community) : *Provided further*, That not to
13 exceed 5 per centum of the allocation for the current year's
14 agricultural conservation program for any county may, on the
15 recommendation of such county committee and approval of
16 the State committee, be withheld and allotted to the Soil Con-
17 servation Service for services of its technicians in formulating
18 and carrying out the agricultural conservation program in the
19 participating counties, and shall not be utilized by the Soil
20 Conservation Service for any purpose other than technical
21 and other assistance in such counties, and in addition, on the
22 recommendation of such county committee and approval
23 of the State committee, not to exceed 1 per centum may be
24 made available to any other Federal, State, or local public

1 agency for the same purpose and under the same conditions:
2 *Provided further*, That for the current year's program \$2,-
3 500,000 shall be available for technical assistance in formu-
4 lating and carrying out agricultural conservation practices:
5 *Provided further*, That such amounts shall be available for
6 the purchase of seeds, fertilizers, lime, trees, or any other
7 farming material, or any soil-terracing services, and making
8 grants thereof to agricultural producers to aid them in carry-
9 ing out farming practices approved by the Secretary under
10 programs provided for herein: *Provided further*, That no
11 part of any funds available to the Department, or any bureau,
12 office, corporation, or other agency constituting a part of
13 such Department, shall be used in the current fiscal year
14 for the payment of salary or travel expenses of any person
15 who has been convicted of violating the Act entitled "An
16 Act to prevent pernicious political activities", approved
17 August 2, 1939, as amended, or who has been found in
18 accordance with the provisions of title 18, United States
19 Code, section 1913, to have violated or attempted to violate
20 such section which prohibits the use of Federal appropria-
21 tions for the payment of personal services or other expenses
22 designed to influence in any manner a Member of Congress
23 to favor or oppose any legislation or appropriation by Con-
24 gress except upon request of any Member or through the
25 proper official channels.

CROPLAND ADJUSTMENT PROGRAM

For necessary expenses to carry into effect a cropland adjustment program as authorized by the Food and Agriculture Act of 1965 (7 U.S.C. 1838), ~~\$78,000,000~~ \$78,600,000: *Provided*, That no additional agreements are authorized for fiscal year 1970 : *Provided*, That agreements entered into during the fiscal year 1970 shall not require payments during the calendar year 1970 exceeding \$99,300,000.

CONSERVATION RESERVE PROGRAM

For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816), and to carry out liquidation activities for the acreage reserve program, to remain available until expended, ~~\$37,500,000~~ \$37,250,000, with which may be merged the unexpended balances of funds heretofore appropriated for soil bank programs: *Provided*, That no part of these funds shall be paid on any contract which is illegal under the law due to the division of lands for the purpose of evading limits on annual payments to participants.

EMERGENCY CONSERVATION MEASURES

For emergency conservation measures, to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental

1 Appropriation Act, 1957, to remain available until expended,
2 \$5,000,000, with which shall be merged the unexpended
3 balances of funds heretofore appropriated for emergency
4 conservation measures.

5 INDEMNITY PAYMENTS TO DAIRY FARMERS

6 For necessary expenses to carry out the provisions of
7 the Act of August 13, 1968 (Public Law 90-484),
8 \$200,000: *Provided*, That none of the funds contained in
9 this Act shall be used to make indemnity payments to any
10 farmer whose milk was removed from commercial markets
11 as a result of his willful failure to follow procedures pre-
12 scribed by the Federal Government.

13 RURAL COMMUNITY DEVELOPMENT SERVICE

14 SALARIES AND EXPENSES

15 For necessary expenses, not otherwise provided for, of
16 the Rural Community Development Service in providing
17 leadership and related services in carrying out the rural
18 areas development activities of the Department, \$450,-
19 000: *Provided*, That not to exceed \$3,000 shall be avail-
20 able for employment under 5 U.S.C. 3109.

21 OFFICE OF THE INSPECTOR GENERAL

22 SALARIES AND EXPENSES

23 For necessary expenses of the Office of the Inspector
24 General, including employment pursuant to the second
25 sentence of section 706 (a) of the Organic Act of 1944 (7

1 U.S.C. 2225), and not to exceed \$10,000 for employment
 2 under 5 U.S.C. 3109, ~~\$13,389,000~~ *\$13,925,000*.

3 PACKERS AND STOCKYARDS ADMINISTRATION

4 SALARIES AND EXPENSES

5 For expenses necessary for administration of the Pack-
 6 ers and Stockyards Act, as authorized by law, including field
 7 employment pursuant to section 706 (a) of the Organic Act
 8 of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for em-
 9 ployment under 5 U.S.C. 3109, ~~\$3,200,000~~ *\$3,509,300*.

10 OFFICE OF THE GENERAL COUNSEL

11 SALARIES AND EXPENSES

12 For necessary expenses, including payment of fees or
 13 dues for the use of law libraries by attorneys in the field
 14 service, ~~\$5,000,000~~ *\$5,459,000*.

15 OFFICE OF INFORMATION

16 SALARIES AND EXPENSES

17 For necessary expenses of the Office of Information for
 18 the dissemination of agricultural information and the coordi-
 19 nation of informational work and programs authorized by
 20 Congress in the Department, \$2,106,000, of which total
 21 appropriation not to exceed \$612,000 may be used for
 22 farmers' bulletins, which shall be adapted to the interests
 23 of the people of the different sections of the country, an
 24 equal proportion of four-fifths of which shall be available

1 to be delivered to or sent out under the addressed franks
2 furnished by the Senators, Representatives, and Delegates
3 in Congress, as they shall direct (7 U.S.C. 417), and not
4 less than two hundred and thirty-two thousand two hundred
5 and fifty copies for the use of the Senate and House of Rep-
6 resentatives of part 2 of the annual report of the Secretary
7 (known as the Yearbook of Agriculture) as authorized by
8 section 73 of the Act of January 12, 1895 (44 U.S.C. 241) :
9 *Provided*, That in the preparation of motion pictures or
10 exhibits by the Department, this appropriation shall be
11 available for employment pursuant to the second sentence
12 of section 706 (a) of the Organic Act of 1944 (7 U.S.C.
13 2225), and not to exceed \$10,000 shall be available for
14 employment under 5 U.S.C. 3109.

15 NATIONAL AGRICULTURAL LIBRARY

16 SALARIES AND EXPENSES

17 For necessary expenses of the National Agricultural
18 Library, ~~\$3,200,000~~ \$3,226,750: *Provided*, That this appro-
19 priation shall be available for employment pursuant to the
20 second sentence of section 706 (a) of the Organic Act of
21 1944 (7 U.S.C. 2225), and not to exceed \$35,000 shall be
22 available for employment under 5 U.S.C. 3109.

OFFICE OF MANAGEMENT SERVICES

SALARIES AND EXPENSES

For necessary expenses to enable the Office of Management Services to provide management support services to selected agencies and offices of the Department of Agriculture, ~~\$3,000,000~~ \$3,050,000.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed \$5,000 for employment under 5 U.S.C. 3109, \$4,838,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That not to exceed \$250,000 of funds

1 contained in the Working Capital Fund established under
2 authority of Public Law 78-129 may be used to carry out
3 responsibilities under the Civil Rights Act of 1964.

4 TITLE II—CREDIT AGENCIES

5 RURAL ELECTRIFICATION ADMINISTRATION

6 To carry into effect the provisions of the Rural Electri-
7 fication Act of 1936, as amended (7 U.S.C. 901-924), as
8 follows:

9 LOAN AUTHORIZATIONS

10 For loans in accordance with said Act, and for carrying
11 out the provisions of section 7 thereof, to be borrowed from
12 the Secretary of the Treasury in accordance with the provi-
13 sions of section 3 (a) of said Act, and to remain available
14 without fiscal year limitation in accordance with section
15 3 (e) of said Act, as follows: rural electrification program,
16 ~~\$320,000,000~~ \$340,000,000, and rural telephone program,
17 \$123,300,000.

18 SALARIES AND EXPENSES

19 For administrative expenses, including not to exceed
20 \$500 for financial and credit reports, funds for employment
21 pursuant to the second sentence of section 706 (a) of the
22 Organic Act of 1944 (7 U.S.C. 2225), and not to exceed
23 \$150,000 for employment under 5 U.S.C. 3109, \$13,-
24 429,000.

1 FARMERS HOME ADMINISTRATION

2 DIRECT LOAN ACCOUNT

3 Direct loans and advances under subtitles A and B, and
4 advances under section 335 (a) for which funds are not
5 otherwise available, of the Consolidated Farmers Home Ad-
6 ministration Act of 1961 (7 U.S.C. 1921), as amended,
7 may be made from funds available in the Farmers Home
8 Administration direct loan account as follows: real estate
9 loans, ~~\$83,000,000~~ \$69,600,000, and operating loans,
10 \$275,000,000.

11 RURAL HOUSING DIRECT LOAN ACCOUNT

12 For direct loans and related advances pursuant to section
13 518 (d) of the Housing Act of 1949 (42 U.S.C. 1488),
14 \$30,000,000 shall be available from funds in the rural hous-
15 ing direct loan account. Hereafter, farmer applicants for
16 direct or insured rural housing loans shall be required to pro-
17 vide only such collateral security as is required of owners
18 of nonfarm tracts.

19 EMERGENCY CREDIT REVOLVING FUND

20 (DISASTER LOANS)

21 For an additional amount for the Emergency Credit
22 Revolving Fund, as authorized by the Act of August 8, 1961
23 (7 U.S.C. 1967), \$31,918,000.

1 RURAL WATER AND WASTE DISPOSAL GRANTS

2 For grants pursuant to sections 306 (a) (2) and 306
3 (a) (6) of the Consolidated Farmers Home Administration
4 Act of 1961, as amended (7 U.S.C. 1926), ~~\$40,000,000~~
5 \$46,000,000.

6 RURAL HOUSING FOR DOMESTIC FARM LABOR

7 For financial assistance to public nonprofit organiza-
8 tions for housing for domestic farm labor, pursuant to section
9 516 of the Housing Act of 1949, as amended (42 U.S.C.
10 1486), ~~\$1,250,000~~ \$3,700,000, to remain available until
11 expended.

12 MUTUAL AND SELF-HELP HOUSING

13 For grants pursuant to section 523 (b) (1) (A) of the
14 Housing Act of 1949 (42 U.S.C. 1490c), ~~\$1,250,000~~
15 \$2,000,000, to remain available until expended.

16 SELF-HELP HOUSING LAND DEVELOPMENT FUND

17 For direct loans pursuant to section 523 (b) (1) (B) of
18 the Housing Act of 1949 (42 U.S.C. 1490c) and related
19 advances, ~~\$600,000~~ \$1,000,000, to remain available until
20 expended.

21 SALARIES AND EXPENSES

22 For necessary expenses of the Farmers Home Adminis-
23 tration, not otherwise provided for, in administering the
24 programs authorized by the Consolidated Farmers Home
25 Administration Act of 1961 (7 U.S.C. 1921-1991),
26 as amended, title V of the Housing Act of 1949, as amended

1 (42 U.S.C. 1471-1490c), the Rural Rehabilitation Corpo-
2 ration Trust Liquidation Act, approved May 3, 1950 (40
3 U.S.C. 440-444), and for carrying out the responsibilities
4 of the Secretary of Agriculture under sections 235 and 236 of
5 the National Housing Act, as amended (12 U.S.C. 1715z-
6 1715z-1), and section 701 of the Housing Act of 1954, as
7 amended (40 U.S.C. 461), ~~\$65,000,000~~ \$67,500,000, to-
8 gether with not more than \$2,250,000 of the charges col-
9 lected in connection with the insurance of loans as authorized
10 by section 309 (e) of the Consolidated Farmers Home Ad-
11 ministration Act of 1961, as amended, and section 514 (b)
12 (3) of the Housing Act of 1949, as amended: *Provided*,
13 That, in addition, not to exceed \$500,000 of the funds
14 available for the various programs administered by this
15 agency may be transferred to this appropriation for tempo-
16 rary field employment pursuant to the second sentence of
17 section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225)
18 to meet unusual or heavy work load increases: *Provided*
19 *further*, That no part of any funds in this paragraph may be
20 used to administer a program which makes rural housing
21 grants pursuant to section 504 of the Housing Act of 1949,
22 as amended.

23 TITLE III—CORPORATIONS

24 The following corporations and agencies are hereby
25 authorized to make such expenditures, within the limits of
26 funds and borrowing authority available to each such cor-

1 poration or agency and in accord with law, and to make
2 such contracts and commitments without regard to fiscal
3 year limitations as provided by section 104 of the Govern-
4 ment Corporation Control Act, as amended, as may be
5 necessary in carrying out the programs set forth in the
6 budget for the current fiscal year for such corporation or
7 agency, except as hereinafter provided:

8 FEDERAL CROP INSURANCE CORPORATION

9 ADMINISTRATIVE AND OPERATING EXPENSES

10 For administrative and operating expenses, \$12,000,000.

11 FEDERAL CROP INSURANCE CORPORATION FUND

12 Not to exceed \$1,648,000 of administrative and operat-
13 ing expenses may be paid from premium income.

14 SUBSCRIPTION TO CAPITAL STOCK

15 To enable the Secretary of the Treasury to subscribe
16 and pay for capital stock of the Federal Crop Insurance
17 Corporation, as provided in section 504 of the Federal Crop
18 Insurance Act (7 U.S.C. 1504), \$10,000,000.

19 COMMODITY CREDIT CORPORATION

20 REIMBURSEMENT FOR NET REALIZED LOSSES

21 To reimburse the Commodity Credit Corporation for
22 net realized losses sustained in prior years but not previously
23 reimbursed, pursuant to the Act of August 17, 1961 (15
24 U.S.C. 713a-11, 713a-12), in the following amounts: fiscal
25 year 1961, \$57,047,170; fiscal year 1967, \$2,210,668,971;

1 fiscal year 1968, ~~\$2,698,217,859~~ \$2,948,217,859; in total,
 2 ~~\$4,965,934,000~~ \$5,215,934,000: *Provided*, That no funds
 3 appropriated by this Act shall be used to formulate or admin-
 4 ister programs for the sale of agricultural commodities pursu-
 5 ant to title I of Public Law 480, 83d Congress, as amended,
 6 to any nation which sells or furnishes or which permits ships
 7 or aircraft under its registry to transport to North Vietnam
 8 any equipment, materials or commodities, so long as North
 9 Vietnam is governed by a Communist regime.

10 LIMITATION ON ADMINISTRATIVE EXPENSES

11 Nothing in this Act shall be so construed as to prevent
 12 the Commodity Credit Corporation from carrying out any
 13 activity or any program authorized by law: *Provided*, That
 14 not to exceed ~~\$31,500,000~~ \$32,000,000 shall be available for
 15 administrative expenses of the Corporation: *Provided fur-*
 16 *ther*, That \$945,000 of this authorization shall be available
 17 only to expand and strengthen the sales program of the Cor-
 18 poration pursuant to authority contained in the Corporation's
 19 charter: *Provided further*, That not less than 7 per centum
 20 of this authorization shall be placed in reserve to be ap-
 21 portioned pursuant to section 3679 of the Revised Statutes,
 22 as amended, for use only in such amounts and at such times
 23 as may become necessary to carry out program operations:
 24 *Provided further*, That all necessary expenses (including

1 of the Department who, as such officer or employee, or on
2 behalf of the Department or any division, commission, or
3 bureau thereof, issues, or causes to be issued, any prediction,
4 oral or written, or forecast, except as to damage threatened
5 or caused by insects and pests, with respect to future prices
6 of cotton or the trend of same.

7 SEC. 505. Except to provide materials required in or
8 incident to research or experimental work where no suitable
9 domestic product is available, no part of the funds appro-
10 priated by this Act shall be expended in the purchase of
11 twine manufactured from commodities or materials produced
12 outside of the United States.

13 SEC. 506. Not less than \$1,500,000 of the appropriations
14 of the Department for research and service work authorized
15 by the Acts of August 14, 1946, July 28, 1954, and Septem-
16 ber 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-
17 1893), shall be available for contracting in accordance with
18 said Acts.

19 SEC. 507. No part of any appropriation contained in this
20 Act shall remain available for obligation beyond the current
21 fiscal year unless expressly so provided herein.

22 SEC. 508. None of the funds in this Act shall be avail-
23 able to finance interdepartmental boards, commissions, coun-
24 cils, committees, or similar groups under sec. 214 of the Inde-
25 pendent Offices Appropriation Act, 1946 (31 U.S.C. 691)

1 which do not have prior and specific Congressional approval
2 of such method of financial support.

3 SEC. 509. No part of the funds appropriated under this
4 Act shall be used to pay salaries of any Federal employee
5 who is convicted in any Federal, State, or local court of
6 competent jurisdiction, of inciting, promoting, or carrying on
7 a riot, or any group activity resulting in material damage to
8 property or injury to persons, found to be in violation of
9 Federal, State, or local laws designed to protect persons or
10 property in the community concerned.

11 SEC. 510. Positions in the agencies covered by this Act,
12 whether financed from funds contained in this Act or from
13 other sources, may be filled during the fiscal year 1970 with-
14 out regard to the provisions of section 201 of Public Law 90-
15 364, and such positions shall not be taken into considera-
16 tion in determining numbers of employees under subsection
17 (a) of that section or numbers of vacancies under subsection
18 (b) of that section.

19 This Act may be cited as the "Department of Agricul-
20 ture and Related Agencies Appropriation Act, 1970".

Passed the House of Representatives May 27, 1969.

Attest:

W. PAT JENNINGS,

Clerk.

91ST CONGRESS
1ST SESSION

H. R. 11612

[Report No. 91-277]

AN ACT

Making appropriations for the Department of
Agriculture and related agencies for the
fiscal year ending June 30, 1970, and for
other purposes.

JUNE 25, 1969

Reported with amendments

June 26, 1969

16. APPROPRIATIONS. Sen. Williams, Del., submitted and discussed two amendments he intends to propose to the USDA appropriation bill. He stated that one amendment would place a limit of \$20,000 on farm payments and the other would repeal the "snap-back" provision. He inserted a list of the 1968 total payments of \$60,000 and over under ASCS programs (excluding price support loans). pp. S7224-5, S7275-80
- H. R. 11582, the Treasury-Post Office appropriation bill was made the unfinished business. p. S7282
17. APPALACHIA. The "Daily Digest" states that the Public Works Committee voted to report (but did not actually report) S. 1072, the "proposed Appalachian Regional Development Act Amendments of 1969. As approved by the committee the bill would provide: (1) \$294 million for fiscal years 1970 and 1971 for Appalachian regional development, including extension of Appalachian development, including extension of Appalachian highway system (2) \$285 million for fiscal years 1970 and 1971 for extension of authority of the five regional commissions, not more than \$100 million of which could be used for regional development transportation system, and (3) 1-year extension of title 1 of the Public Works and Economic Development Act providing public works grants through the Economic Development Administration." p. D559
18. WATER POLLUTION. The "Daily Digest" states a subcommittee of the Public Works Committee approved for full committee consideration with amendments S. 7, proposed Water Quality Improvement Act of 1969. p. D559
19. INTEREST RATES. Sen. Montoya stated the effect of the raise in interest rates "will spread far and wide--to the ruin of homebuilders, homeowners, small businessmen, farmers, and others." pp. S7227-9
20. WATER. Sen. Murphy inserted an article by former Assistant Secretary of Agriculture Earl Coke in support of legislation to modernize the "archaic 160-acre limitation provision of our reclamation regulations." p. S7235
21. TIMBER; FORESTRY. Sen. Montoya stated that it is the Forest Service which is "largely responsible for the conditions which are depriving producers of raw material they can operate profitably." He announced hearings in order to seek "an accounting from the Secretary of Agriculture for the conduct of the Forest Service." p. S7237
22. POVERTY. Sen. Goodell inserted a review of Dr. Levitan's book, "The Great Society's Poor Law: A New Approach to Poverty." pp. S7254-55
23. GRAINS. Sen. Hruska spoke in support of proposed legislation to authorize the Commodity Credit Corporation to insure loans made to farmers for the construction or purchase of facilities for storage of grain on the farm. p. S7255
- Sen. Hartke criticized the International Grains Arrangement and stated that the "high prices established by the new convention have encouraged uneconomical production of wheat abroad." pp. S7257-61
24. EDUCATION. Sen. Murphy inserted his testimony in favor of Federal aid to education in impacted areas. pp. S7261-5

June 26, 1969

SENATE

11. CONSERVATION. Passed as reported S. 1790, the Great Plains conservation bill. Sen. Mansfield quoted from the committee report: "This bill would extend the Great Plains conservation program for 10 years and enlarge its scope in a number of minor respects. The program is one under which the Secretary enters into conservation cost sharing contracts of up to 10 years with producers in counties susceptible to wind erosion in the States of Colorado, Kansas, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming." pp. S7199-202
Passed as reported S. 1076, to establish a Youth Conservation Corps in the Departments of the Interior and Agriculture. Sen. Mansfield quoted from the committee report: "The purpose of this legislation...is to establish a pilot Youth Conservation Corps program for young men and women, 14--18 years of age, who would participate in summer work and educational projects in our national parks, forests, recreation areas, wildlife refuges, and other public lands administered by the Departments of the Interior and Agriculture for periods up to 90 days...The bill authorizes appropriations to support a 3-year pilot program for approximately 3000 youth each year." pp. S7202-4
12. TAXATION. The Finance Committee reported with amendment H. R. 9951, relative to the collection of Federal unemployment tax (S. Rept. 91-281). p. S7214
Sen. Metcalf expressed his willingness for the present income tax withholding rates to be continued for 90 days so that any proposal to extend the surcharge can be considered simultaneously with comprehensive tax reform. p. S7225
13. RESEARCH. The Aeronautical and Space Sciences Committee reported with amendment H. R. 11271, to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management (S. Rept. 91-282)(p. S7214). Includes in the Space Applications program for cooperation with this Department in determining the spectrum of remote sensor requirements necessary to apply space technology to the fields of agriculture, forestry, oceanography, meteorology, etc.
Passed with amendment H. R. 12167, fiscal 1970 authorizations for the Atomic Energy Commission. Includes funds for isotopes development program involving use of radioisotopes for combating environmental pollution and for the preservation of food by radiation. S. 2416, a similar bill, was postponed indefinitely. pp. S7265-71
14. EXPORT CONTROL. Passed without amendment S. J. Res. 122, to provide for a temporary extension of the authority conferred by the Export Control Act of 1949. p. S7204
15. RECREATION. Passed as reported S. 621, to provide for the establishment of the Apostle Islands National Lakeshore, Wisc. pp. S7212-14
Passed with amendments S. 1708, to amend the Land and Water Conservation Fund Act of 1965 by authorizing the sale of surplus Federal properties at less than the full 50 percent of fair market value which is required under present law. pp. S7271-2, S7280-2

Calendar No. 269

91ST CONGRESS
1ST SESSION

H. R. 11612

IN THE SENATE OF THE UNITED STATES

JUNE 26, 1969

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WILLIAMS of Delaware to H.R. 11612, an Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, viz: On page 23, line 14, insert the following:

1 : *Provided further* That no part of the funds appropriated
2 by this Act shall be used to formulate or carry out any
3 price support program (other than for sugar) under which
4 payments aggregating more than \$20,000 under all such
5 programs are made to any producer on any crop planted
6 in the fiscal year 1970.

Amdt. No. 53

91ST CONGRESS
1ST Session

H. R. 11612

AMENDMENT

Intended to be proposed by Mr. WILLIAMS of Delaware to H.R. 11612, an Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

JUNE 26, 1969

Ordered to lie on the table and to be printed

Calendar No. 269

91ST CONGRESS
1ST SESSION

H. R. 11612

IN THE SENATE OF THE UNITED STATES

JUNE 26, 1969

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WILLIAMS of Delaware to H.R. 11612, an Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, viz: On page 23, at the end of line 19, add a new paragraph as follows:

- 1 Section 103 (d) (12) of the Agricultural Act of 1949,
- 2 as amended, is hereby repealed.

Amdt. No. 54

Amdt. No. 54

Calendar No. 269

91ST CONGRESS
1ST SESSION

H. R. 11612

AMENDMENT

Intended to be proposed by Mr. WILLIAMS of Delaware to H.R. 11612, an Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

JUNE 26, 1969

Ordered to lie on the table and to be printed

stages from an idea or opportunity to a productive and profitable enterprise.

Fifth. Multinational investment companies should promote local, subregional, and regional capital markets in Latin America and actively promote, create, and finance multinational corporations.

Sixth. The ADELA experience has indicated that the absence of meaningful protection for minority interests, is perhaps one of the most important factors hindering the development of capital markets in Latin America.

Seventh. Modification or complete re-drafting of commercial codes is one of the most needed and most urgent tasks before the legislatures of Latin America.

LIMITATION ON PAYMENTS UNDER AGRICULTURE PROGRAM

Mr. WILLIAMS of Delaware. Mr. President, the House of Representatives included an amendment to H.R. 11612, the agriculture appropriations for fiscal 1970, the purpose of which was to place a limitation of \$20,000 on the amount of payments to be made to any one individual or company under the agriculture program. This bill is now pending before the Senate, but I understand that the committee has approved the deletion of this section.

I regret that this negative action was taken since, in my opinion, this is a very important amendment, and when this bill is before the Senate for our consideration an effort will be made to restore the House amendment.

These payments should be limited for two very important reasons:

First. It represents an unnecessary drain on the Federal Treasury, and certainly these unwarranted expenditures for the large corporate-type operations cannot be justified at a time when the Federal Government is already operating at a deficit averaging \$500 million per month and at a time when the American

citizens are being asked to bear additional tax burdens.

Second. Under the present system these large payments to the corporate-type operations place the small farmers at a decided disadvantage. A large operator with several thousand acres can idle a substantial portion of his acreage under the various programs and discharge some of his employees, with the result that his payments to a large extent represent net income, whereas a small family-type farm cannot afford to idle a portion of his acreage under these programs, since to do so would reduce the efficiency of his operation in that his machinery and his personal labor would be only partially utilized.

The effect is that as a result of these large payments the Federal Government is in a position of actually subsidizing the expansion of the corporate type of operators at the expense of the small farmers.

The limitation on these payments of \$20,000 to any one company or individual in a year would reverse this picture and give the advantage of the program to the small operators.

As an example of some of these payments I cite the following:

The list which I shall incorporate in the RECORD at the conclusion of my remarks shows that five corporate type operations each collected over \$1 million in cash payments under the various agriculture programs, with the largest of these payments being \$3,027,384 to the J. G. Boswell Co., Corcoran, Calif.

Ten large farming operations received cash payments ranging between \$500,000 and \$800,000, and at the top of this list we find two large land companies, Salyer Land Co., Corcoran, Calif., and Kern County Land Co., Bakersfield, Calif., collecting \$786,459 and \$780,073, respectively. The Delta and Pine Land Co., Scott, Miss., received \$605,796. This latter company was a wholly owned British corporation, yet it is being classified as an American farmer and is being paid

over \$600,000 not to cultivate its American soil. The State of Montana is classified as a "farmer" and collected \$560,443 not to cultivate some of its farmland.

The next group includes 43 farming operations, each receiving cash payments ranging between \$250,000 and a half-million dollars.

Included in this group of farmers we find the Texas Department of Corrections, Sugarland, Tex., being classified as a "farmer" and receiving two payments of \$294,301 and \$75,619.

The Arkansas State Penitentiary, Grady, Ark., is classified as a "farmer" and received \$154,412, while the State of Washington, another "farmer," collected \$146,764 under these programs.

The Louisiana State Penitentiary, Angola, La., qualified as a "farmer" and collected \$114,363.

By no stretch of the imagination can these States and political subdivisions qualify under the classification of legitimate farming operations.

An interesting point arises: just suppose the Texas Department of Corrections, the Arkansas State Penitentiary, or the Louisiana State Penitentiary violated the laws relating to proper compliance of the agriculture programs and that the Government decided to prosecute and they were convicted. Just how could a penitentiary be punished?

To emphasize the extent of these large payments I am incorporating in the RECORD today a list of the 1968 recipients of payments totaling \$60,000 and over that were made under the ASCS program—excluding price support loans. I have in my office a report showing these payments in excess of \$25,000, which is available to anyone wishing to inspect it, but to conserve space I am incorporating in the RECORD only those payments of \$60,000 and over.

I ask unanimous consent that this list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

1968 TOTAL PAYMENTS OF \$60,000 AND OVER UNDER ASCS PROGRAMS (EXCLUDING PRICE SUPPORT LOANS)

Name	Address	Total payments	Name	Address	Total payments
J. G. Boswell Co.	P.O. Box 877, Corcoran, Calif.	\$3,027,384	Vernon L. Thomas, Inc.	P.O. Box 8, Huron, Calif.	\$339,863
Giffen, Inc.	Box 7, Huron, Calif.	2,775,274	Barkley Co. of Arizona	Rural Route 1 Box 73, Somerton, Ariz.	336,823
U.S. Sugar Corp.	Drawer 1207, Clewiston, Fla.	1,467,498	BKW Farms, Inc.	Box 186, Marana, Ariz.	331,512
Hawaiian Commercial & Sugar Co.	Box 3440, Honolulu, Hawaii	1,273,521	J. K. Griffith	Route 2, Morton, Tex.	320,315
South Lake Farms	P.O. Box 848, Corcoran, Calif.	1,194,022	Hamakua Mill Co.	Box 3020, Honolulu, Hawaii	319,637
Salyer Land Co.	P.O. Box 488, Corcoran, Calif.	786,459	McBryde Sugar Co., Ltd.	Box 3440, Honolulu, Hawaii	317,499
Kern Co. Land Co.	Box 380, Bakersfield, Calif.	780,073	Puna Sugar Co., Ltd.	Box 3230, Honolulu, Hawaii	308,976
Vista Del Llano Farms	37423 Belmont, Firebaugh, Calif.	745,647	AK Chin Farms	Route 1, Box 12, Maricopa, Ariz.	308,625
South Puerto Rico Sugar Co.	Box 86, South Bay, Fla.	709,526	Olokele Sugar Co.	Box 3470, Honolulu, Hawaii	307,730
Delta and Pine Land Co.	Scott, Miss.	605,796	Texas Department of Corrections	Central Farm 520, Sugarland, Tex.	294,301
State of Montana	Helena, Mont.	560,443	John D. Singh	Box DD, Casa Grande, Ariz.	292,031
Oahu Sugar Co.	Box 3230, Honolulu, Hawaii	542,926	Telles Ranch, Inc.	46031 W. Nees, Firebaugh, Calif.	291,209
Waialua Sugar Co., Inc.	Box 2990, Honolulu, Hawaii	530,187	Tom J. Moore	Navasota, Tex.	289,883
Lihue Plantation Co., Ltd.	Box 3230, Honolulu, Hawaii	520,003	Youngker Farms	Box 398, Buckeye, Ariz.	289,391
Farmers Inv. Co.	Box 7, Sahuarita, Ariz.	504,389	H. H. Moore & Sons	Box 7, Navasota, Tex.	283,962
S. A. Camp Farms Co.	Bin D, Shafter, Calif.	489,641	Wilco Produce	Box 1179, Blythe, Calif.	282,148
Lee Wilson & Co. D/B/A Keiser S.	Keiser, Ariz.	473,670	Riverview Farm & Cattle	500 North Broadway, Blythe, Calif.	279,733
Pioneer Mill Co.	Box 3230, Honolulu, Hawaii	465,399	C. J. Shannon & Sons	24487 Road 140, Tulare, Calif.	278,965
Ewa Sugar Co., Inc.	Box 2990, Honolulu, Hawaii	448,191	Baughman Farms, Inc.	Liberal, Kans.	276,500
Boston Ranch Co.	Star Route 2 Box 100, Lemoore, Calif.	448,158	Newhall Land & Farming	10302 Ave. 734, Firebaugh, Calif.	272,176
Hamilton Farms	Route 1, Box 325, Eloy, Ariz.	437,386	Elmore Co.	P.O. Box 119, Brawley, Calif.	267,969
Kekaha Sugar Co., Ltd.	Box 3230, Honolulu, Hawaii	414,602	Gilkey Farms, Inc.	P.O. Box 426, Corcoran, Calif.	265,156
Talisman Sugar Corp.	Box 814, Belle Glade, Fla.	412,685	Airway Farms, Inc.	1221 Fulton, Fresno, Calif.	259,136
Red River Land Co.	Box 566, Stratfield, Ariz.	396,561	Guimarra Vineyard Corp.	Box 1969 Bakersfield, Calif.	250,802
Hawaiian Agricultural Co.	Box 3470, Honolulu, Hawaii	387,025	Florida Sugar Corp.	Box 1001, Belle Glade, Fla.	247,010
C & V Sheep & Cattle Co., Inc.	Box 368, Maricopa, Ariz.	385,128	Southdown, Inc.	P.O. Box 52378, New Orleans, La.	243,070
Jack Harris Inc.	Route 1, Box 420, Coalinga, Calif.	379,075	Bogle Farms, Inc.	Box 485, Chandler, Ariz.	242,268
Westlake Farms	2331 Newton Ave., Stratford, Calif.	377,300	Arizona Farming Co.	Box 907, Eloy, Ariz.	239,802
The South Coast Corp.	219 Grinage St., Houma, La.	358,519	Goodyear Farms	Litchfield Park, Ariz.	238,629
Grove Farm Co., Inc.	Puhi Rural Station, Lihue, Hawaii	352,891	Timco	5720 S. Washoe, Mendota, Calif.	236,781
McNair Farms	Laurinburg, N.C.	351,596	Gila River Farms	Box 397, Sacaton, Ariz.	234,975
H. B. Murphy Co.	P.O. Box 74, Brawley, Calif.	347,976	R. A. Pickens & Sons Co.	Pickens, Ark.	234,251
Laupahoehoe Sugar Co.	Box 3020, Honolulu, Hawaii	345,770	Bruce Church, Inc.	P.O. Box 1009, Yuma, Ariz.	232,012
Honokaa Sugar Co.	do.	341,253			

1968 TOTAL PAYMENTS OF \$60,000 AND OVER UNOER ASCS PROGRAMS (EXCLUDING PRICE SUPPORT LOANS)—Continued

Name	Address	Total payments	Name	Address	Total payments
W. B. Camp & Sons	P. O. Box 2028, Bakersfield, Calif	\$231, 978	Hammonds Ranch, Inc.	47357 West Oakota, Firebaugh, Calif	\$136, 334
Houchin Bros. Farming	Box 493, Buttonwillow, Calif	229, 811	Roberts Farms, Inc.	15366 Road 192, Porterville, Calif	136, 215
John B. McKee, Jr.	Friars Point, Miss	228, 948	Bill Weaver	502 South Houston, Lamesa, Tex	136, 105
Potter Bros., Inc.	Box 349, Arcola, Miss	227, 768	Olmer Zweygardt	Burlington Co.	136, 100
Jack Elmore	Box 156, Brawley, Calif	226, 810	Clark and Roberts	1927 Jackson, Pecos, Tex	134, 085
Crowe Farms	Arcola, Miss	223, 835	W. A. Sullivan	2100 Wyoming, Pecos, Tex	132, 584
Kirby Hughes	7200 San Anna, Tucson, Ariz	221, 659	J. H. Benson Ranches, Inc.	Box 239, Brawley, Calif	132, 058
Oave Mendrin & Sons	23448 Ave. 5, Madera, Calif	217, 463	I. F. Lee	Rural Route 2, Hale Center, Tex	131, 881
Ridgeside Farms	Bakersfield Saving & Loan Building, Bakersfield, Calif	213, 384	Oan Seligman	Shaw, Miss	131, 699
George B. Willoughby	Box 860, El Centro, Calif	208, 101	W. T. Waggoner Trust Estate	Orawer 2130, Vernon, Tex	131, 651
Three Way Land Co	Oakalb, Tex	206, 883	St. Francis Valley Farms	Marked Tree, Ark	131, 179
Howe Lumber Company, Inc.	Wabash, Ark	206, 379	Texas Hill Farms	P. O. Box 1283, Yuma, Ariz	130, 663
Joe Mendiburu	Box 5096, Oildale, Calif	202, 583	M & I Farms	P. O. Box 700, Oelano, Calif	130, 111
J. E. O'Neill, Inc.	P. O. Box 2114, Fresno, Calif	201, 089	Coberly-West Co	626 Wilshire Blvd, Los Angeles, Calif	129, 178
Price Giffen Ranch	2025 N. Fairfax, Firebaugh, Calif	199, 980	Smallwood Farms	Box 1507, Pecos, Tex	128, 981
Sullivan & Gragnani	Box 128 A, Tranquillity, Calif	199, 681	Krenmueller Farms	Route 1 Box 77, San Juan, Tex	128, 907
J. W. Olberg & Son	P. O. Box 1710, Yuma, Ariz	197, 400	Thunderbird Farms	Box 1984, Phoenix, Ariz	128, 249
Roy Flowers	Mattson, Miss	196, 679	Earl Hughes	P. O. Box 218, Gadsden, Ariz	128, 104
Community Gin	P. O. Box 3546, Scottsdale, Ariz	196, 457	715 Farms Ltd	Box O, Pahokee, Fla	127, 591
Coury Bros	Route 1 Box 87, Queen Creek, Ariz	196, 210	R. C. Godwin	Box 1026, Hereford, Tex	127, 231
Santiago Ranch	Rural Route 3 Box 893, Bakersfield, Calif	195, 425	Hyneman Farms, Inc.	P. O. Box 30, Trumann, Ariz	127, 199
Kahuku Plantation Co	Box 3440, Honolulu, Hawaii	194, 231	E. W. Merritt Farms	11188 Road 192, Porterville, Calif	126, 263
Ben Simmons	P. O. Box 744, Parker, Ariz	190, 616	Finley Bros	Box 196, Gilbert, Ariz	126, 198
Raymond Thomas, Inc.	25810 Avenue 11, Madera, Calif	189, 828	Fridenmaker Farms	223 South 4th St., Phoenix, Ariz	126, 021
Gay and Robinson	Makaweli, Hawaii	187, 401	Farm Development Corp	Box 1201, Boise, Idaho	125, 221
Cold River Trading Co	P. O. Box T, Parker, Ariz	185, 592	Scopena Plantation	Rural Route 1, Bossier City, La	124, 157
M J & R S Allen	P. O. Box 925, Coalinga, Calif	185, 397	R. A. Rowan & Co	20600 19th Ave, Stratford, Calif	123, 883
Irvin Co	1296 Pepper Or., El Centro, Calif	184, 875	Gerald R. Elmore	P. O. Box 603, Calipatria, Calif	123, 773
W. E. Young & W. E. Young, Jr.	Box 267, Calipatria, Calif	184, 181	C M S Farming Co	801 North 1st Ave., Phoenix, Arizona	123, 742
Coit Ranch, Inc.	2578 S. Lyon, Mendota, Calif	182, 204	H. K. Hammett & Sons	Box 512, Greenville, Miss	123, 106
C. J. Vignolo	Box 1268, Shafter, Calif	180, 899	Bidart Bros.	Rural Route 1 Box 860, Bakersfield, Calif	122, 929
B.V. Farms & Miller & Lux	550 Kearney, San Francisco, Calif	180, 812	M. T. Hardy	Webb, Miss	122, 799
W. J. Deal	Box 427, Mendota, Calif	179, 248	Est. Geo. C. Chance	307 South Main, Bryan, Tex	122, 792
Twin Farms	Rural Route 1, Box 91, Buttonwillow, Calif	178, 069	Brazos A. Varisco	Varisco Bldg., Bryan, Tex	122, 592
W. T. Golston Farms	Box 698, Stanfield, Ariz	177, 599	Wood Ranches	Post Office Box 247, Lemoore, Calif	122, 562
Taft McGee	Box 69, Hereford, Tex	177, 238	Rio Farms, Inc.	Edcouch, Tex	122, 537
Worsham Bros	Box 1411, Pecos, Tex	176, 033	Boyett Farming	Post Office Box 386, Corcoran, Calif	121, 972
Wolfsen Land and Cattle	Box 311, Los Banos, Calif	175, 841	Yandell Bros	Vance, Miss	121, 943
Schramm Ranches, Inc.	Box 487, San Joaquin, Calif	175, 234	Joe I. McHugh	Box 17, Orrville, Ala	121, 718
Hill Farms	Hart, Tex	174, 815	Clarence Martin	Route 2 Box 146, Friona, Tex	121, 522
Southmountain Farms, Inc.	Route 1, Box 705, Laveen, Ariz	174, 806	Sumner Peck Ranch Inc.	Post Office Box 507, Mendota, Calif	120, 991
A Ouda Sons, Inc.	P. O. Box 257, Oviado, Fla	174, 444	Wildwood Plantation	Rural Route 3, Greenwood, Miss	120, 470
E. F. Ninn & Co.	Shuqualak, Miss	172, 595	Harris Cattle Co	Box 456, Chandler, Ariz	120, 352
Nichols Farms	13762 First Ave., Hanford, Calif	171, 684	The Oelta Co	Care of T. L. Reed III, Belzoni, Miss	120, 328
West Haven Farming Co	24487 Road 140, Tulare, Calif	170, 674	Oscar Mayfield & Sons	Taft, Tex	120, 237
Sam Hamburg Farms	P. O. Box 547, Los Banos, Calif	170, 531	Ward Walton and Asso., Inc.	Rural Route 4, Upper Sandusky, Ohio	120, 040
Southern National Bank	Lumberton, N.C.	170, 044	Hugh Hudson Ranches	P. O. Box 201, Calipatria, Calif	118, 969
Sinclair Ranches	Box 234, Calipatria, Calif	168, 262	Ed Ambrose	Route 1, Box 118-B, Buckeye, Ariz	118, 376
J. A. Roberts	Rural Route 1 Box 207, Casa Grande, Ariz	164, 230	John Valov	18275 Road 28, Tulare, Calif	117, 934
Sherrill-LaFollette	5001 East Washington, Phoenix, Ariz	163, 226	Peter J. Robertson	Box 578, Coolidge, Ariz	117, 632
Campbell Farming	Hardin, Mont	162, 897	Jacob S. Stephens	P. O. Box 338, Buckeye, Ariz	117, 516
Sugarcane Farms Co	318 A Royal P, Palm Beach, Fla	162, 008	Clarence Robinson	P. O. Box 1064, Blythe, Calif	117, 323
Waddell Ranch Co	Waddell, Ariz	161, 709	Eastland Plantation, Inc.	Doddsville, Miss	116, 978
Glen Holt	Rural Route 1 Box 27H, Parker, Ariz	161, 149	Glen Miller	Rural Route 2, Colfax, Wash	116, 844
Coyanosa Farms	Box 235, Coyanosa, Tex	160, 663	Imperial Valley Cattle Co	Box 148, Arizona City, Ariz	116, 749
Topanga Caine Farm	Lake Cormorant, Miss	159, 984	Marble Bros	Box 91, South Plains, Tex	116, 530
Emma Lawrence	Box 2309, Hobbs, N. Mex	159, 927	Roundaway Planting Co	Alligator, Miss	116, 413
John A. Wheeler	Rural Route 1, Lorenzo, Tex	159, 589	J. C. Mills	Orawer G, Abernathy, Tex	116, 211
Closter Farms, Inc.	Box 698, Belle Glade, Fla	158, 754	C. T. Dearborn	P. O. Box 6055, Calipatria, Calif	116, 193
Pantherburn Co	Pantherburn, Miss	158, 615	Vahlsing Christina Corp.	Box 386, Mathis, Tex	116, 072
J. G. Stone Land Co.	Box 146, Stratford, Calif	158, 587	Oakhurst Co	Box 335, Clarksdale, Miss	115, 763
L-4 Ranches, Inc.	Box 366, Queen Creek, Ariz	157, 591	Em H. Mettler & Sons	Box 1298, Shafter, Calif	115, 588
Wesson Farms, Inc.	Victoria, Ariz	156, 953	Shary Farms, Inc.	Box 433, Mission, Tex	115, 429
Kesey Bros	Box 1368, Pecos, Tex	156, 759	Robbins & Long	Rosedale, Miss	115, 273
Ercell Givens	Box 817, Abernathy, Tex	156, 583	F. C. Layton	Box 175, Tolleeson, Ariz	115, 194
W. R. Mayes	Mayesville, S.C.	156, 284	B. F. Harbert Co	Robinsonville, Miss	115, 098
John Kai	Box 488, Marana, Ariz	156, 272	William H. Gray	Rural Route 1, New Market, Ala	114, 881
Engelman Farms	Box 307, Elsa, Tex	155, 011	McFarland & Hanson Ranches	Box 1497, Coolidge, Ariz	114, 671
F. F. Mauldin	Box 116, Town Creek, Ala	154, 966	Milham Farms	P. O. Box 976, Bakersfield, Calif	114, 373
Arkansas State Penitentiary	Box 500, Grady, Ark	154, 412	Louisiana State Penitentiary	Angola, La	114, 363
John J. and Ola V. Lord	P. O. Box 5761, Tucson, Ariz	153, 992	W. H. Gentry	400 Sunset, Hereford, Tex	114, 221
S. N. Knight Sons, Inc.	Box 7, Belle Glade, Fla	153, 540	Cattani Bros	Rural Route 6, Box 215, Bakersfield, Calif	141, 052
McKittrick Ranch, Inc.	1921 Bradford, Bakersfield, Calif	153, 404	Miliken & Farwell, Inc.	Route 1, Box 157, Port Allen, La	113, 781
Amana Society	Middle Amana, Iowa	152, 972	Borba Bros.	5521 22d Ave., Riverdale, Calif	113, 575
Redfern Ranches, Inc.	Box 305, Oos Palos, Calif	152, 703	Stafford Hannon	P. O. Box 1141, Brawley, Calif	113, 556
Mazzie Farms	Box 698, Arvin, Calif	151, 734	Kline Planting Co	Alligator, Miss	113, 395
Russell Bros. Ranches, Inc.	Box 275, Calipatria, Calif	149, 755	Brooks Griffin	Elaine, Ark	113, 352
Oavid A. Shumway	Route 1 Box 19, Queen Creek, Ariz	149, 409	Milton P. Smith, Jr	Route 1, Box 85, Maricopa, Ariz	113, 113
Kenneth Lindemann	Box 1947, Pecos, Tex	147, 663	W. T. Touchberry	Glen Allan, Miss	112, 807
Martha M. Russell	Route 3 Box 21, San Benito, Tex	146, 772	West, Inc.	Rural Route 1, Sidon, Miss	112, 260
State of Washington	Department of Natural Resources, Ephrata, Wash.	146, 764	O'Neill Farms, Inc.	P. O. Box 5, Huron, Calif	112, 202
Buckhorn Planting Co	Rural Route 2, Greenwood, Miss	146, 518	Kennedy Bros	79700 Ave. 54, Indio, Calif	112, 121
Trail Lake Plantation	Tralake, Miss	146, 478	John Garrett & Sons	Box 520, Clovis, N. Mex	111, 799
Isom & Isom	110-C East Florence Blvd., Casa Grande, Ariz	145, 778	Abbay & Leatherman, Inc.	Robinsonville, Miss	111, 795
Sterling Sugars, Inc.	P. O. Box 572, Franklin, La	144, 563	Raymond O. Schnepf	Route 1, Box 42, Queen Cree, Ariz	111, 602
J. H. Williams	Route 1 Box 211, Natchitoches, La	144, 532	Busby Farms	Star Route 2, Olton, Tex	111, 592
Fowler E. McDaniel	Box 6, Tulia, Tex	143, 886	B. T. Spear	Star Route, Wildorado, Tex	111, 413
New Hope Sugar Co	314 Royal Poin, Palm Beach, Fla	143, 092	Cornerstone Farm & Gin Co	Box 7008, Pine Bluff, Ark	111, 387
R. T. Hoover Farms	Box 816, Fabens, Tex	143, 064	Schuh Bros	377 Circle Drive, Chowchille, Calif	111, 287
McDonald Maric McCluskey Picka	114 West 10, Kansas City, Mo	142, 778	Warner Reid	Box 694, Tulia, Tex	111, 060
Donald H. Cox	560 North Eighth, Brawley, Calif	142, 758	John Norton Farms	P. O. Box 1000, Blythe, Calif	110, 685
Jimmy Cluck	Route 2, Hart, Tex	142, 345	Weeth Ranches, Inc	Box 924, Coalinga, Calif	109, 241
Rancho Tierra Prieta	Box 938, Eloy, Ariz	142, 320	Lawrence E. Pence	Route 1, Box 93, McColl, S.C	109, 038
O. M. Bryant, Jr.	Box 540, Pond, Calif	142, 099	Silver Lake Ranches Co., Inc.	Box 1467, Oel Rio, Tex	108, 839
Leyton Woolf	4419 West Royal Palms Rd., Glendale, Ariz	141, 772	Shuklian Bros., Inc.	26591 Highway 99, Tulare, Calif	108, 641
B. W. Smith Planting Co	Louise, Miss	140, 968	G. L. Willis, Jr	Box 458, Dimmitt, Tex	108, 630
Stephen H. Elmore	Box 156, Brawley, Calif	140, 891	Tracy Ranch, Inc.	Rural Route 1, Box 177, Buttonwillow, Calif	107, 868
Broughton Land Co	P. O. Box 27, Dayton, Wash	140, 695	Sill Prop, Inc.	212 Sill Building, Bakersfield, Calif	107, 828
V. C. Britton Co	P. O. Box 397, Firebaugh, Calif	139, 801	Homer Hill	Hart, Tex	107, 658
Reynold M. Mettler	P. O. Box 473, Bakersfield, Calif	139, 738	Husbandville Plantation	c/o W. T. Robertson, Holly Ridge, Miss	107, 318
McQueen Smith Farms	Rural Route 1, Prattville, Ala	138, 125	Highland Lake Farm	46 Waverly Wood, Helena, Ark	107, 223
The Oesert Ranch	47375 West Oakota, Firebaugh, Calif	138, 118	Antone Borchard Co	200 Andrita Place, Brawley, Calif	107, 196
Talla Farms, Inc.	Box 668, Stanfield, Ariz	137, 112	Coelho Farms	P. O. Box 645, Riverdale, Calif	107, 099
R. A. Ingram	Leland, Miss	136, 739	Carlson Brothers	Rural Route 1, Box 568, Marion, Ark	106, 807
Charles Roos, III	Box 501, Rio Grande City, Tex	136, 735	Torrey Wood & Son	Hollandale, Miss	106, 769
Holland Porter	Rural Route 2, Caldwell, Tex	136, 620	Cunningham Sheep Co	Box 1186, Pendleton, Oreg	106, 472
			Four Fifths Plantation	Rural Route 3, Greenwood, Miss	106, 458
			Voth Farms, Inc.	450 G Street, Wasco, Calif	106, 277
			Adamek & Oessert	P. O. Box 787, Seeley, Calif	105, 754

1968 TOTAL PAYMENTS OF \$60,000 AND OVER UNDER ASCS PROGRAMS (EXCLUDING PRICE SUPPORT LOANS)—Continued

Name	Address	Total payments	Name	Address	Total payments
Wheeler Farms	Rural Route 1, Box 860, Bakersfield, Calif.	\$105,626	Billy Rogers Farms	Box 68, South Bay, Fla.	\$89,920
William E. Armstrong	Route 2, Lubbock, Tex.	105,526	Barham, Inc.	Care of Joe Barham, Oak Ridge, La.	89,916
Empire Farms	Route 1, Box 326, Eloy, Ariz.	105,451	Raymond Oconnell & Son	Route 1, Box 73, Brawley, Calif.	89,873
King & Anderson, Inc.	P.O. Box 745, Clarksdale, Miss.	105,418	Dearborn & Maraccini	P.O. Box 6055, Calipatria, Calif.	89,777
F. J. McCarthy & Sons	Box 1138, Tulare, Calif.	105,394	Dom Echeverria	119 11th Ave., Longmont, Colo.	89,723
McCarthy Hilderbrand Farms	Route 1, Box 246-A, Eloy, Ariz.	105,212	Wm. H. Noble	P.O. Box 506, Kerman, Calif.	89,491
Armored Planting Co.	Armored, Ark.	105,021	Woodrow Lewis	500 West Toledo, Chandler, Ariz.	89,444
Kenneth Reynolds	Box 6041, Calipatria, Calif.	104,592	E. T. Jordan & Sons	Rural Route 4, Yazoo City, Miss.	89,416
Norment Foley	Box 208, Uvalde, Tex.	104,391	Schwartz Farms, Inc.	21451 20th Ave., Stratford, Calif.	89,337
Woods Co.	P.O. Box 1294, Yuma, Ariz.	104,330	Harold Senter	Rural Route 1, Wilson, Ark.	89,208
Tejon Ranch Co.	P.O. Box 1560, Bakersfield, Calif.	104,255	John B. Ford	Darling, Miss.	89,091
G. L. Pratt	31599 Road 132, Visalia, Calif.	104,148	New Ranch Corp.	375 Park Ave., New York, N.Y.	89,023
Murphy Jones	Nitta Yuma, Miss.	104,129	C & C Farms	Box 1387, Fort Stockton, Tex.	88,976
Fred Enke	1405 North Kadota, Casa Grande, Ariz.	104,049	Mike A. Burkholder	Box 1562, Pecos, Tex.	88,743
Virgil F. Marsh	Route 5, Hereford, Tex.	103,936	Kenmar Farm	Rural Route 1 Box 318, Arvin, Calif.	88,684
Neil Fifield Co.	Route 2, Box 26, Brawley, Calif.	103,729	Grist Bros.	2324 Oakmont Ave., Santa Ana, Calif.	88,634
Elvin Crow	Box 1130, Pecos, Tex.	103,606	Sweet Bros.	Widener, Ark.	88,413
John W. Nigilazzo	Box 786, Hearne, Tex.	103,581	Basil Abate	Box 99, Bremond, Tex.	88,331
Palm Farms, Inc.	4016 Stockdale Highway, Bakersfield, Calif.	102,775	Chiarelli Ranches	10651 RD 25, Madera, Calif.	88,312
Salton Sea Farms	Box 277, Calipatria, Calif.	102,513	Diwan Ranches, Inc.	Route 1, Box 485, Casa Grande, Ariz.	88,100
Valley Acres	Box 128, Santa Rosa, Tex.	102,348	Epps Plantation	Rural Route 1, Box 188, Epps, La.	87,958
H. L. Yocum & Sons	17801 10th Ave., Hanford, Calif.	102,115	D.C. Parker	Route 1, Tunica, Miss.	87,778
I. D. Nunnery, Jr.	Arcola, Miss.	102,055	W. T. Lattner & Son	2114, Johnson, Pecos, Tex.	87,754
Williams & Quick	Box 217, Calipatria, Calif.	101,714	James E. Coleman	Rural Route 4, Yazoo City, Miss.	87,713
Hagan & Bruton Farm	Box 226, Hollandale, Miss.	101,639	McMurphy Farms	Box 227, Duncan, Miss.	87,608
Billups Plantation, Inc.	Indianola, Miss.	101,591	Delmar R. Durrett	Box 1081, Amarillo, Tex.	87,605
H. L. Anderson	Route 1, Box 475, Peoria, Ariz.	101,485	H. S. Swayze	Rural Route 2, Benton, Miss.	87,513
Richard Gumz	North Judson, Ind.	101,109	M. M. Alexander	Route 1, Box 249, Eloy, Ariz.	87,395
J. F. Bland, Jr.	Mayesville, S.C.	101,032	Newton Brothers	P.O. Box 117, Stratford, Calif.	87,349
Arena Co. of Arizona	Post Office Box 37, Glendale, Ariz.	100,769	R. A. Harling AG	Riverby Ranch, Rural Route 2, Telephone, Tenn.	86,952
Joe Reistino	Box 152, Hearne, Tex.	100,694	Olive W. Garvey	Care of Garvey Farms Management Co., Colby, Kans.	86,851
Martori Bros	Post Office Box 878, Glendale, Ariz.	100,261	Leslie Mitchell	Box 439, Crosbyton, Tex.	86,782
Donald George Whitney	Post Office Box 308, Logandale, Nev.	100,000	Sunset Ranches, Inc.	Route 1, Box 220, Eloy, Ariz.	86,723
J. L. Golightly, Jr.	1730 North Stapley Dr., Mesa, Ariz.	99,911	Anderson Bros.	Drawer KK, Casa Grande, Ariz.	86,613
J. C. Sides, Sr.	Box 197, Coffeeville, Miss.	99,831	Fifield Land Co.	Route 2, Box 26, Brawley, Calif.	86,440
H. R. Watson & Sons	Tunica, Miss.	99,790	H. G. Carpenter	Rolling Fork, Miss.	86,390
John Fuson	Post Office Box 875, Lebec, Calif.	99,715	Ben Estes Bearden	Box 387, Santa Rosa, Tex.	86,375
Willis & Kurtz	Rural Route 6, Box 533 R, Bakersfield, Calif.	99,488	Medlock Farms, Inc.	Route 2 Box 183, Lubbock, Tex.	86,329
J. Livingston Estates, Inc.	Ruleville, Miss.	99,325	Wallace Bales	401 N. 6th Ave, Buckeye, Ariz.	86,248
Kelly R. Mahan	Batesville, Miss.	99,250	Eldon K. Parish	Box 128, Mohave Valley, Ariz.	86,227
Reetex Farms	Box 741, Pecos, Tex.	98,634	G. W. Nickel, Jr.	Drawer D, Wasco, Calif.	86,225
Annapex, Inc.	Care of Rufus Stainback, Minter City, Miss.	98,561	Sam Sparks	Route 1, Santa Rosa, Tex.	85,955
Girvin Farms	Box 1387, Fort Stockton, Tex.	98,032	Jack Bros. & McBurney, Inc.	P.O. Box 116, Brawley, Calif.	85,938
A. Angeletti, Inc.	Box 71, Crawfordsville, Ark.	97,870	Verney Towns	3713 68th, Lubbock, Tex.	85,903
Rabb Bros	Box 736, San Joaquin, Calif.	97,680	Vence Corpora	701 Anderson St., Hearne, Tex.	85,835
J. L. Hodges Farming Co.	Post Office Box 68, Buckeye, Ariz.	97,535	Giusti Farms, Inc.	Ste 904 2220 Tulare, Fresno, Calif.	85,807
Linneman Ranches, Inc.	Post Office Box 156, Dos Palos, Calif.	97,490	Daley & Bogle	1454 N. Morrison, Casa Grande, Ariz.	85,633
C. B. Box Co.	Midnight, Miss.	97,376	Crouch Bros	Route 1 Box 32, Maricopa, Ariz.	85,576
Garden Cy Co.	Box 597, Garden City, Kans.	97,306	Midway Farms, Inc.	Rural Route 1, Joiner, Ark.	85,566
Donald K. Donley	2454 5th St., Yuma, Ariz.	97,253	Abatti Bros	P.O. Box 466, El Centro, Calif.	85,367
Perrin Bros	Box 12, Hereford, Tex.	97,049	W. C. Huffaker, Jr.	Tahoka, Tex.	85,119
J. H. Sherard & Son	Sherard, Miss.	97,016	Hollybrook Land Co., Inc.	Lake Providence, La.	84,935
George Yarbrough	Sicily Island, La.	96,750	Hooper Farms, Inc.	4823 Ave 24, Chowchilla, Calif.	84,794
Rossi Bros	Rural Route 7, Box 470, Bakersfield, Calif.	96,722	Fred Tavoletti & Sons	1101 W. Second, Clarksdale, Miss.	84,760
Wedgworth Farms, Inc.	Box 206, Belle Glade, Fla.	96,708	E. D. Mitchell, Inc.	P.O. Box 195, Arvin, Calif.	84,488
Fortson Farms	Rice, Tex.	96,632	Paul Pilgrim	666 Sycamore St., Shafter, Calif.	84,426
Walter J. Williams	1223 Park Circle, Las Vegas, Nev.	96,539	El Tejon Cattle Co.	805 Baker St., Bakersfield, Calif.	84,389
Meadowlark Farms	I. H. Reiss, Fisher Building, Sullivan, Ind.	96,534	Baker Planting Co.	Leland, Miss.	84,322
Carl C. Bamert	Rural Route 3 Box 114, Muleshoe, Tex.	96,348	G H J Farms Ltd.	Johnson, Kans.	84,304
A. Wilberts Sons L/S Co.	Box 540, Plaquemine, La.	96,290	Sanders & Sanders	Route 2 Box 393, Bakersfield, Calif.	84,263
Roger Davidson	Box 245, Marks, Miss.	96,127	Morgan Shillington Farms Co.	Box 535, Rupert, Idaho	84,239
Allen Gray Estate	Benoit, Miss.	96,090	Ruby Walker	Bentonla, Miss.	84,217
Cameta Plantation, Inc.	Anguilla, Miss.	95,928	Brooks Cotton Co.	Shelby, Miss.	84,180
Banks & Co.	Hernando, Miss.	95,862	Jones Farms	Box 275, Stratford, Calif.	84,162
A. B. Foster	Box 891, Pecos, Tex.	95,769	Hugh Stephens	Box 186, New Albany, Miss.	84,104
Ed Hall	Box Y, Bouse, Ariz.	95,558	Egypt Planting Co.	Cruger, Miss.	84,080
Carl J. Kuper	1414 Denrock Ave., Dalhart, Tex.	95,556	W. P. Hunter	In care of Blair Dalton, Bell City, Mo.	83,868
Bond Pltg. Co.	Box 446, Clarksdale, Ark.	95,539	CGG Farms, Inc.	P.O. Box 968, Glendale, Ariz.	83,639
Overmyer Farms	Care of Lee Overmyer, Francesville, Ind.	95,531	Tallmadge Ranch, Inc.	Rural Route 1, Momence, Ill.	83,634
Pilibos Bros., Inc.	2141 Tuolumne, Fresno, Calif.	95,488	W. L. Corcoran	Rural Route 2, Eufaula, Ala.	83,624
J. E. Mayes	Mayesville, S.C.	95,237	Fredlo Farms	P.O. Box 174, Arvin, Calif.	83,490
Charles E. Lakin	Odebolt, Iowa	94,885	Lakeview Planting Co.	Rural Route 4, Yazoo City, Miss.	83,439
W. A. Rountree	Rural Route 5, Dublin, Ga.	94,805	H. L. Kendrick	Box 315, Eloy, Ariz.	83,414
James H. Jones	507 Barton St., Hearne, Tex.	94,633	H. S. McShan	Schlater, Miss.	83,269
M. Lane	Box 905, Shafter, Calif.	94,446	Eldon Blackburn	St. Vrain, N. Mex.	83,166
Garrett Corp.	Box 520, Clovis, N. Mex.	94,423	J. P. Brown	Box 329, Lake Providence, La.	83,049
The Brown Farm	Schlater, Miss.	94,183	W. D. Patterson	Rome, Miss.	82,894
Hardesty Bros	1013 Narramore, Buckeye, Ariz.	93,979	Louis Garcia/Sons Inc.	Route 1, Box 136, Spur, Tex.	82,822
Roseta Farms	Box 719, Eagle Pass, Tex.	93,946	H. H. and Edgar Baker	Rural Route 2, Somerville, Tex.	82,770
C. C. Slaughter Farms	Box 575, Morton, Tex.	93,830	Churchill & Thibaut, Inc.	Box 431, Donaldsonville, La.	82,759
Mike P. Sturdivant	Glendora, Miss.	93,600	Carrol Rice	Sicily Island, La.	82,679
McGregor Land & Livestock Co.	Hooper, Wash.	93,310	Sanders Farms	Rural Route 3, Box 969, Bakersfield, Calif.	82,654
Bowles Farming Co.	11609 South Hereford, Los Banos, Calif.	93,300	Lee Wong Farms, Inc.	P.O. Box 866, Glendale, Ariz.	82,568
Bud Antle, Inc.	Box 68, Red Rock, Ariz.	93,229	Sutton Bros.	Route 4, Box 769, Phoenix, Ariz.	82,551
F. O. Masten	Sudan, Tex.	93,212	C J & L Farms, Inc.	Box 607, Casa Grande, Ariz.	82,433
J. W. Wallace & Sons	Box 929, Edinburg, Tex.	92,953	Don and Vern Thiesen	Route 1, Box 432 A, Kingsburg, Calif.	82,423
Miller Lumber Co.	Marianna, Ark.	92,940	Bibb, Inc.	Box 122, Tunica, Miss.	82,371
C. H. Moore Trust Estate	South Center St., Clinton, Ill.	92,772	D & R Farms	Route 2, Box 167, Chandler, Ariz.	82,357
Arthur Blohm	Rural route 1, Box 100, Wellton, Ariz.	92,721	J. W. Patrick, Jr.	Brandon, Miss.	82,330
Cedarville Corp.	Box 1288, Pecos, Tex.	92,716	Bruneau Sheep Co.	Grandview, Idaho	82,114
The Mirasol Co.	P.O. Box 757, Buttonwillow, Calif.	92,524	Peterson Farms	Box 877, Corcoran, Calif.	81,869
J. G. Adams & Son	Hughes, Ark.	92,453	James S. Garvey	Box 517, Colby, Kans.	81,855
Duncan Farms, Inc.	Route 2, Inverness, Miss.	92,225	Paul Brophy	Box 528, Casa Grande, Ariz.	81,852
A. H. Wegis & Sons	P.O. Box 613, Buttonwillow, Calif.	91,983	D. E. Phillips	Lind, Wash.	81,841
Morrison Bros	Route 1, Box 13, Higley, Ariz.	91,829	J. A. Howarth, Jr.	Route 2, Cleveland, Miss.	81,712
Alexander Farms, Inc.	46 Waverly Wood, Helena, Ark.	91,644	M. L. Earnheart Co.	Tunica, Miss.	81,424
Britz Chemical Co.	P.O. Box 366, Five Points, Calif.	91,533	Donnell Echols	State Route 4, Lamesa, Tex.	81,405
Belding Farms, Inc.	Route 1 Box 140, Fort Stockton, Tex.	91,369	Chas. Ureia & Sons	3256 East Main, Mesa, Ariz.	81,278
Charles A. Russell	Beulah, Miss.	91,168	Hubert Cheek, Jr.	Bowersville, Ga.	81,212
O. F. Bledsoe Plantation Estate	Rural Route 3, Greenwood, Miss.	91,036	L. I. Rhodes & Sons	Rural Route 1, Box 475, Wasco, Calif.	81,208
Dulaney Bros	Care of Jack Dulaney, Box 239, Shallowater, Tex.	90,973	Correia Bros	6401 Ave. 296, Visalia, Calif.	81,064
W. A. Banks	Rural Route 7, Box 376, Bakersfield, Calif.	90,824	Pacco, Inc.	Turrell, Ark.	81,045
Deseret Lvt Co., Inc.	531 South State St., Salt Lake City, Utah	90,739	Stimson Veneer & Lumber Trust	Dumas, Ark.	80,970
Race Track Plantation	Rural Route 3 Greenwood, Miss.	90,551	J & J Ranch	Post Office Box 155, Firebaugh, Calif.	80,832
J. F. Martin	Box 1306, Hereford, Tex.	90,182	W. J. Seatt	Rural Route 1, Box 695A, Yuma, Ariz.	80,709
Roy D. Murray	Route 1, Box 3, Earlimart, Calif.	90,140			

1968 TOTAL PAYMENTS OF \$60,000 AND OVER UNDER ASCS PROGRAMS (EXCLUDING PRICE SUPPORT LOANS)—Continued

Name	Address	Total payments	Name	Address	Total payments
Harry L. Laws Co., Inc.	Post Office Box 158, Brusly, La.	\$80,682	Estate of J. A. McDonald	Route 2, McColl, S.C.	\$74,374
J. Boyd White	Route 1, Box 239, Marana, Ariz.	80,645	Fifield Farms	229 Main St., Brawley, Calif.	74,345
Loy Kilgore	1721 Jefferson, Pecos, Tex.	80,556	Frank Robinson	Panhandle, Tex.	74,337
Joe Lee McMahon	Box 68, Verhalen, Tex.	80,305	Charles Hill	800 West Dakland, Chandler, Ariz.	74,257
L. W. Wade Farms, Inc.	Box 1136, Greenwood, Miss.	80,227	J. D. Rankin	Rural Route 3, Canton, Miss.	74,248
Beckwith Farms	Drawer 616, Progreso, Tex.	80,215	John & Alex Kochergen	523 North Brawley, Fresno, Calif.	74,212
J. B. Hardwicke Co. Ptn.	Box 1990, McAllen, Tex.	80,186	Anschutz Land & Livestock Co., Inc.	351 State, Salt Lake City, Utah	74,164
Dean Pruett	Rural Route 2, Altoona, Ala.	80,174	Winterrowd Bros.	Box 1049, Pecos, Tex.	74,119
E. C. Fedric	Glendora, Miss.	80,115	K. K. Skousen	Route 1, Box 85, Chandler, Ariz.	74,114
Bruins, Planting Co.	Hughes, Ark.	80,110	Power Ranches, Inc.	Route 1, Box 72, Higley, Ariz.	74,108
L. Z. Farms, Inc.	900 North Brown, Casa Grande, Ariz.	80,107	Fairfax Ptn.	Ben Walker, Tribbett, Miss.	74,079
Howard Hurd	1008 East Tate, Brownfield, Tex.	80,072	Marion Harris	20421 Rural Delivery 44, Tulare, Calif.	74,062
Allen & Brashier Planting Co.	Indianola, Miss.	80,036	Don B. Co	Post Office Box 2003, Phoenix, Ariz.	74,030
Harold H. Hogue	1415 Denrock, Dalhart, Tex.	79,904	John Henry Jones	Box 34, Welch, Tex.	74,000
Paul Hays	Route 1, Kress, Tex.	79,826	Phelps & Palmer	222 North Westood St., Mesa, Ariz.	73,965
Ben F. Bowden	Rural Route 2, Box 113, Eufaula, Ala.	79,674	H. L. Holland	Box 1598, Coolidge, Ariz.	73,913
White Face Farms, Inc.	Box 1030, Levelland, Tex.	79,641	Dale Elliott	Rural Route 1, Clovis, N. Mex.	73,911
Savoie Industries	Belle Rose, La.	79,631	Lee Moor Farms	Clint, Tex.	73,849
S. A. Arnold, Jr.	Tunica, Miss.	79,391	Hinkhouse Bros.	Burlington, Colo.	73,790
B. Raymond Evans	49 Travis Rd., Tulia, Tex.	79,343	Antongiovanni & Jarrard	1318 Baldwin Rd., Bakersfield, Calif.	73,734
H & H Farms, Inc.	Rural Route 2, Box 560, Bakersfield, Calif.	79,311	King Farms	Route 1 Box 162, Buckeye, Ariz.	73,657
Dossett Plantation, Inc.	Beulah, Miss.	79,216	Cordon V. Waldrop	Route C, Lamesa, Tex.	73,596
Raymond Beauchamp	605 Ross Blvd., Pecos, Tex.	79,001	C. & V. Growers, Inc.	Box 368, Maricopa, Ariz.	73,531
Coleman Farms	Okolona, Miss.	78,951	Yoshino Bros.	Box 295, Quincy, Wash.	73,491
Cass Edwards II	725 Commerce Building, Fort Worth, Tex.	78,917	Riggan Planting Co.	Box 978, West Memphis, Ark.	73,451
H. C. Hitch, Jr.	Box 1308, Guymon, Okla.	78,841	Patterson Farms, Inc.	Care of G. D. Patterson, Maitland, Mo.	73,437
F. J. Higgins Farms, Inc.	Schuyler, Nebr.	78,816	James E. and John Garrett	Box 520, Clovis, N. Mex.	73,429
J. L. Kidd, Jr.	1207 West Avenue H, Lovington, N. Mex.	78,734	A. C. T. Ranches, Inc.	Route 1 Box 247-2, Eloy, Ariz.	73,426
Twilight Planting Co.	Glendora, Miss.	78,538	Redfield Plantations	Edwards, Miss.	73,359
Wilbur Wuertz	914 North Picacho, Casa Grande, Ariz.	78,535	James F. Davis, Jr.	Route 1 Box 89, Lorenzo, Tex.	73,269
Marshall Lands, Inc.	Box 3, Charleston, Mo.	78,461	Parsons Ranch	Rural Route 1 Box 57, Buttonwillow, Calif.	73,251
Joe Pugh	Itta Bena, Miss.	78,455	J. C. Mills	Drawer G, Abernathy, Tex.	73,242
Elijah B. Adams & Sons	1019 North First, Harlingen, Tex.	78,428	G. J. Parkhill, Jr.	Box 275, Crosbyton, Tex.	73,171
J. L. Hill & Co.	Webb, Miss.	78,417	Hoke Propst	Route 3, Anson, Tex.	73,079
Aden Brothers, Inc.	Valley Park, Miss.	78,413	Carl Schuster	Route 1 Box 77-A, San Juan, Tex.	73,074
P. L. Sanders	Walls, Miss.	78,379	Muldrow Farms	1612 E. Reppto, Brownfield, Tex.	72,957
Goodland Farms, Inc.	Box 193, Hearne, Tex.	78,142	Jack Raiston	Box 185, Maricopa, Ariz.	72,884
Rochelle Livestock Co.	Box 996, Rawlins, Wyo.	78,141	Ruby Planting Co.	% J. F. Shaw, Box 174, Money, Miss.	72,879
W. A. Heiden & Son	Box 576, Buckeye, Ariz.	78,049	G. T. Hamilton	Rural Route 2, Hillsboro, Ala.	72,776
Sam & D. M. Biancucci	Post Office Box 337, Firebaugh, Calif.	78,011	Anderson-Palmisano Farms	Route 1, Box 39-A, Maricopa, Ariz.	72,740
Walker Farms, Inc.	Care of George R. Walker, Stoneville, Miss.	77,891	R. W. Dwen, Inc.	Route 1, Tunica, Miss.	72,550
Simpson & Wilson	Post Office Box 393, Rio Hondo, Tex.	77,749	Eddy Farms	Box 1239, Jamestown, N. Dak.	72,504
Sam Senter Farms, Inc.	Post Office Box 185, Belle Glade, Fla.	77,682	C. L. Ranch	Dell City, Tex.	72,452
Heidrick Farms, Inc.	Route 1, Box 1215, Woodland, Calif.	77,633	Pirani & Sons	Rural Route 1, Turrell, Ark.	72,397
Sam C. Jenkins	Box 497, Lamesa, Tex.	77,613	W. J. Chandler & Sons	Moundville, Ala.	72,340
Panola Co.	In care of W. A. Guthrie, Newellton, La.	77,610	W. S. Heaton, Jr.	Lyon, Miss.	72,331
R. D. Hughes	Box 67, Blytheville, Ark.	77,556	James E. Kemp	20th Floor, Mercantile Bank Building, Dallas Tex.	72,323
Glenn Lane	871 West Roosevelt, Coolidge, Ariz.	77,519	Dougherty Ranch	4414 North 36th St. Phoenix, Ariz.	72,269
Howard & Blythe Plantation	Lake Cormorant, Miss.	77,504	Rummonds Bros. Ranches	Route 1 Box 726, Thermal, Calif.	72,266
Elms Planting Corp.	Altheimer, Ark.	77,456	Coffman Ranch Co.	908 South Durbin, Casper, Wyo.	72,191
Elwood Elkins	Rural Route 3, DeKalb, Tex.	77,342	Broadbent Livestock Co.	Box 1825, El Centro, Calif.	72,181
W. W. Hill	2203 Johnson, Pecos, Tex.	77,337	Mohead Planting Co.	Lula, Miss.	72,126
George Hammond	2829 Gidding, Clovis, N. Mex.	77,183	W. E. & W. C. Reid	Cherokee, Ala.	72,121
Ranza Boggess	Box 283, Friona, Tex.	77,058	Melvin H. McKinney	Box 728, Pecos, Tex.	72,023
Morton S. Inc.	Drawer M, Douglas, Wyo.	77,034	Red Top Ranch	P.D. Box 1, Red Top, Calif.	71,984
J. F. Twist Plantation	Twist, Ark.	76,893	Bruce Parr	Route 3, Friona, Tex.	71,930
L. A. Robertson Farms, Inc.	29536 West Lerdo, Shafter, Calif.	76,867	Glen Cox	State Route, Lenorah, Tex.	71,922
Post Montgomery	921 Austin St., Levelland, Tex.	76,848	Lockmiller & Son	1401 Piedmont, Clovis, N. Mex.	71,850
James Cannon	Rural Route 1, Lockney, Tex.	76,817	C. J. Lowrance & Sons	Driver, Ark.	71,849
Wolf Island Farms	Wolf Island, Mo.	76,788	Jason H. Allen	4602 15th St., Lubbock, Tex.	71,830
Roebuck Plantation	Sidon, Miss.	76,755	Martin Talla	Box 668, Stanfield, Ariz.	71,799
T. K. Williamson	Box 931, Morton, Tex.	76,711	Albert J. Hoelscher	1902 Jackson, Pecos, Tex.	71,689
Nerren Bros.	Isola, Miss.	76,562	W. G. Trotter	Box 113, Winterville, Miss.	71,681
Heirs of Joseph F. Green	Route 1, Box 7, Taft, Tex.	76,531	Henry L. Voss	48 W. Glenn Dr., Phoenix, Ariz.	71,679
Charles E. Armstrong	609 West Stinson, Dimmitt, Tex.	76,505	Roy Barefield	Alexander, Ga.	71,643
Travis H. Jones	609 Ironwood Dr., Buckeye, Ariz.	76,491	Miller Farms Co.	Box 390, Tulia, Tex.	71,622
Payne Valley Farms, Inc.	Care of M. M. Payne, Hamburg, Iowa	76,369	H. & D. Duenne	Rural Route 2, Charleston, Mo.	71,563
Fred Nusschaumer	P.O. Box 186, Wellton, Ariz.	76,355	Sierra Dawn Farms	45949 W. Shields, Firebaugh, Calif.	71,546
Cone Livestock Co.	Box 473, Ellensburg, Wash.	76,308	Avra Lind & Cattle	c/o A Young Co Tucson Ft, Tucson, Ariz.	71,521
Mobley & Bonham	P.D. Box 1063, Blythe, Calif.	76,301	Wayne Kirschenmann	5109 Lansdale Dr. Bakersfield, Calif.	71,493
Albemarle Corp.	Box 215, Courtland, Ala.	76,229	Belluomini Bros.	Rural Route 1 Box 89, Buttonwillow, Calif.	71,473
Covey & Dayton	Care of John Dayton, Cokeville, Wyo.	75,996	C. A. Thomas	Box 8, Lake Harbor, Fla.	71,438
Carl Bruegel	Box 175, Dimmitt, Tex.	75,924	M. P. Moore	Senatobia, Miss.	71,422
M. C. Braswell Farms	Battleboro, N.C.	75,908	Alpe Bros.	Crawfordsville, Ark.	71,274
E. D. McKnight	Parkin, Ark.	75,908	Cerro Bros	Rural Route 2, Box 749, Bakersfield, Calif.	71,237
Henson & Sons	Rural Route 3, Box 920, Bakersfield, Calif.	75,898	Ald Land & Livestock Co.	420 Taylor St., San Francisco, Calif.	71,228
Davis Beauchamp	Route 1, Box 132, Calipatria, Calif.	75,855	W. A. Galloway	Bosco, La.	71,093
Owen Bros	Route 1, Tunica, Miss.	75,830	Ryan Bros	P.D. Box 268, Mendota, Calif.	71,071
Guy H. Shivers, Sr.	Norwood, Ga.	75,806	Hoparka Plantation	Care of F. M. Mitchener, Sumner, Miss.	71,068
Ben Riggs & Son	Route 2 Box 95, Chandler, Ariz.	75,794	Pacific Farms Co.	1047 M Street, Firebaugh, Calif.	70,980
Ted A. & Ted R. Pierce	501 Arizona Ave., Buckeye, Ariz.	75,759	Wesley Hansen	Post Office Box 995, Corcoran, Calif.	70,886
Eastgate Farms, Inc.	100 East Robinson, Drlanda, Fla.	75,685	Alex and Norman Pretzer	Box 786, Eloy, Ariz.	70,874
William Gehring, Inc.	Route 6, Rensselaer, Ind.	75,668	Dunn Farms	Route 1, Box 6, Maricopa, Ariz.	70,828
Telles Ranch, Inc.	Box 886, Eloy, Ariz.	75,655	J. A. Pickett	Box 117, Morrow, La.	70,825
Dearmont Oliver	Rural Route 1, East Prairie, Mo.	75,627	W. H. Lovett	Dublin, Ga.	70,818
Texas Department of Correction	Bryan W. Firerson, Sugarland, Tex.	75,619	Aladdin Ranch	1221 Fulton Mall, Room 614, Fresno, Calif.	70,790
J. E. Cunningham, Jr.	Tchula, Miss.	75,577	J. E. Mayes	Mayesville, S.C.	70,745
Davis & Gandy	301 Austin, Edinburg, Tex.	75,558	Wayne Q. Winsett	2028 Willard Dr., Altus, Okla.	70,732
John A. Abbott	Route 2, Harlingen, Tex.	75,558	Standefor-Gray, Inc.	Box 711, Lubbock, Tex.	70,724
Gilnockie Ptg. Co.	Leland, Miss.	75,517	Douglas Mallette	Indianola, Miss.	70,605
D. W. & B. H. Malcom	Bostwick, Ga.	75,500	A. L. Muzinich	207 Panorama Dr., Bakersfield, Calif.	70,585
Wedel Farms	Post Office Box L, Wasco, Calif.	75,490	Lervest St. John, Inc.	Rural Route 1, Box 10, St. Martinville, La.	70,509
H. Buller Farms	1730 Locust Ravine, Bakersfield, Calif.	75,483	Warren Livestock	Box 848, Cheyenne, Wyo.	70,445
Dan W. Clarke	4500 South Mission Rd., Tucson, Ariz.	75,436	Drew Gillen	Blooming Grove, Tex.	70,415
Daniel D. McDaniel	Rural Route 3, Cameron, Tex.	75,328	Griffin & Griffin	Box 1193, Coalinga, Calif.	70,409
Duane Ellsworth	Box 138, Queen Creek, Ariz.	75,311	Raymond McCutchen	Robert Lee, Tex.	70,217
C. Mettler	Box 473, Bakersfield, Calif.	75,229	Southwest Grazing, Inc.	Box 296, Casa Grande, Ariz.	70,215
Graydon Flowers	Mattson, Miss.	75,125	Rio Grande Equipment Co.	State Highway 77, Harlingen, Tex.	70,033
J. R. Broadbent	2202 South 1400 East Salt Lake City, Utah	75,083	J. F. Crews	Box 352, Pecos, Tex.	69,967
Jay Wilson	Route 2 Box 323, Casa Grande, Ariz.	74,904	Jimmy Millar	State Route 2, Morton, Tex.	69,920
A. W. Langenegger	Box 503, Hagerman, N. Mex.	74,875	J. T. John Co., Inc.	Laurinburg, N.C.	69,913
J. P. Terrell & Son	Navasota, Tex.	74,850	A. L. Cone	P.D. Box 871, Lubbock, Tex.	69,866
Combs & Clegg Ranches, Inc.	Route 1 Box 96, Queen Crk, Ariz.	74,827	Phil Ladra	5825 West Harmond Dr., Glendale, Ariz.	69,864
Scott & Knappenberger	Route 2 Box 180, Blythe, Calif.	74,721	Stanley Snitzer	801 North First Ave., Phoenix, Ariz.	69,751
Don H. Bennett	Post Office Box 517, Buckeye, Ariz.	74,568	Penny Ranch	Burlington, Colo.	69,727
Tracy Hutchins	Route 2 Box 315, Casa Grande, Ariz.	74,503	Garrett & Son	Rural Route 2, Box 24, Clarksdale, Miss.	69,710
Three H Ranch	1709 30th St., Bakerfield, Calif.	74,420			

1968 TOTAL PAYMENTS OF \$60,000 AND OVER UNDER ASCS PROGRAMS (EXCLUDING PRICE SUPPORT LOANS)—Continued

Name	Address	Total payments	Name	Address	Total payments
El Dorado Ranch, Inc.	Box 607, Casa Grande, Ariz.	\$69,694	Daniel Gustafson	Box 27, Lyford, Tex.	\$64,456
White Farms & Cattle Co.	Box 719, Canyon, Tex.	69,584	Leonard and Henry Franz	Lind, Wash.	64,428
C. Ray Robinson	Box 93, Eloy, Ariz.	69,382	Erma Griffith	Route 2, Morton, Tex.	64,419
Spencer H. Barret	Belzoni, Miss.	69,343	Bloemhof Hay Co.	P.O. Box 147, Buttonwillow, Calif.	64,416
J. R. Durrett Trusts	Box 1081, Amarillo, Tex.	69,338	McIntosh & Sons	2034 14th St., Lewiston, Idaho	64,174
H. S. Mitchell	P.O. Box 98, Millington, Tenn.	69,302	Robert Devin	603 Southeast 2d, Tulia, Tex.	64,109
Kleymann Bros.	Care of Frederick Kleymann, Tribune, Kans.	69,275	Dolph Briscoe, Jr.	Box 389, Uvalde, Tex.	64,076
William Hardison	P.O. Box 98, Palo Verde, Ariz.	69,227	Emmett Jobe	Route 1, Box 53, Queen Creek, Ariz.	64,041
Mission Planting Co.	Box 248, Ida, La.	69,148	Kriesant Operating Co., Inc.	Box 125, Mendota, Calif.	64,008
Mashburn Farms, Inc.	Rural Route 5, Paris, Tex.	69,012	W. W. Boswell, Jr.	700 Whitley Av. Corcoran, Calif.	64,001
Wagner Brothers, Inc.	1126 3d St., Lewiston, Idaho	68,998	J. O. Thompson	Route 1, Box 482, Casa Grande, Ariz.	63,988
Kern Valley Farms	Box 505, Lamont, Calif.	68,986	M. & V. Farms	P. O. Box 82, Ehrenberg, Ariz.	63,895
Claude P. Polston, Jr.	Route 1, Box 16, Blenheim, S.C.	68,958	Runnymede Plantation	Box 277, Itta Bena, Miss.	63,887
Santa Cruz Farms, Inc.	Box 998, Eloy, Ariz.	68,882	Warren Spikes	Hugoton, Kans.	63,863
Starkey & Erwin	P.O. Box 669, Avenal, Calif.	68,879	Bonanza Farms	2612 Elm St., Bakersfield, Calif.	63,773
John H. Spearman	Box 1000, Clovis, N. Mex.	68,863	Green River Ls Co.	Box 431, Green River, Wyo.	63,764
Lewis Barksdale, Jr.	Route 1, Ouncan, Miss.	68,818	Milo Erwin	6082 East Butler, Fresno, Calif.	63,763
E. R. McDonald & Sons	Newellton, La.	68,812	Herbert Friemel	Route 1, Canyon, Tex.	63,761
H. T. Dillahunt & Sons	Hughes, Ark.	68,732	W. T. Jamison, Jr.	Tiptonville, Tenn.	63,746
Palm Livestock Co.	Elk Mountain, Wyo.	68,730	Sloan Osborn	Route 2, Friona, Tex.	63,689
Trans-Pecos Dairy	Box 1383, Pecos, Tex.	68,669	OV Land Co.	P.O. Box 1088, Clewiston, Fla.	63,661
William J. Asmusen	Agar, S. Dak.	68,626	John W. Dawson	Rural Route 3, Hawkinsville, Ga.	63,634
C. W. Neely	Box 172, Gilbert, Ariz.	68,619	J. R. Stump	Box 851, Elsa, Tex.	63,626
G. & E. Livestock, Inc.	1319 Edgar St., Rock Springs, Wyo.	68,586	Sebastian Cotton & Grain Corp.	Box 104, Sebastian, Tex.	63,597
Carl C. May	Route 2 Box 599 West Helena, Ark.	68,543	Jack Hart	Gruver, Tex.	63,582
J. D. Smith	109 E. 11th St., Littlefield, Tex.	68,488	H. T. Bonds	Route 1, Shelby, Miss.	63,579
Talbot Sheep Co.	1232 California St., Los Banos, Calif.	68,456	W. W. & Earl Cochran	Portland, Ark.	63,562
John C. Alford	Box 28, Petersburg, Tex.	68,454	DiGiorgio Fruit Corp.	Box 308, DiGiorgio, Calif.	63,561
S. C. Wilson & Son	Care of Shelby T. Wilson, Dundee, Miss.	68,444	P. Hansen Ranch	P.O. Box 295, Corcoran, Calif.	63,410
San Juan Ranching Co.	Route 1 Box 171B, Dos Palos, Calif.	68,407	Edward Trotter	Rural Route 2, Box 745, Greenville, Miss.	63,353
Paul Battle, Jr.	Box 232, Tunica, Miss.	68,391	Frank T. Brumfield	Inverness, Miss.	63,339
Pinal Farms, Inc.	Box 728, Stanfield, Ariz.	68,347	Asbury Wright	Pinchurst, Ga.	63,306
Stanley Asmusen	Agar, S. Dak.	68,335	C. & W. Ranches, Inc.	Star Route Box 17, Marana, Ariz.	63,276
Shannon Bros. Enterprises	Box 2863 DeSoto Sta., Memphis, Tenn.	68,305	Porter Land Co.	Box 393, Bakersfield, Calif.	63,270
X Y Ranch Co.	Care of Ray Jameson, Granada, Colo.	68,213	Stonner Brothers	Miami, Mo.	63,173
Dalton R. Pittman	4809 Camellia Ln, Shreveport, La.	68,168	H. B. Barker	602 East Lincoln, Morton, Tex.	63,131
Mason & Godwin	Rural Route 2, Monroe, La.	68,127	Wood-Sanderlin Farm	Crumrod, Ark.	63,107
Ballard and Hurt	Olton Route, Plainview, Tex.	68,031	John Valpredo	Rural Route 2, Box 460, Bakersfield, Calif.	63,069
Caire & Graugnard	P.O. Box 7, Edgard, La.	68,028	Everett Wiseman	Vega, Tex.	63,007
Gaddis Farms, Inc.	Raymond, Miss.	67,999	Grady Windle Parker	Box 0, Courtland, Ala.	62,974
Lloyd Gambrel	Box 729, Ralls, Tex.	67,911	Robert Cardwell	8265 W. Annadale, Fresno, Calif.	62,970
Bill St. Clair	Route 3, Muleshoe, Tex.	67,870	Opal Fry & Sons	Rural Route 2 Box 403, Bakersfield, Calif.	62,916
Rlds Church	Care of Don Elefson Rlds Audit, Independ- ence, Mo.	67,860	Knapp Farms	Box 205, Weslaco, Tex.	62,915
J. Bert Williams	Rural Route 1, Farwell, Tex.	67,857	Shotwell Plantation, Inc.	Rural Route 1, Tchula, Miss.	62,909
W. W. Oraper, Jr.	402 Mockingbird Lane, Forrest City, Ark.	67,840	L. J. Barksdale, Sr.	Marks, Miss.	62,903
Delta Ranches, Inc.	P.O. Box 211, Blythe, Calif.	67,787	Bryants, Inc.	Bartow, Ga.	62,861
Guerra Bros.	Box 38, Linn, Tex.	67,554	P. S. Thompson	Box 787, Eloy, Ariz.	62,810
Thomas A. Morriss-Sons	Sonora, Tex.	67,508	Barling Bros.	640 G St., Wasco, Calif.	62,795
E. K. Angeley	Route 1, Box 152, Muleshoe, Tex.	67,493	Robert D. Bechtel	2020 S. 9th St., Coolidge, Ariz.	62,762
Tillar & Co.	Tillar, Ark.	67,414	Robert W. Brooks	Box 431, Queen Creek, Ariz.	62,756
P. W. Vensel	803 West Pinkley, Colledge, Ariz.	67,341	E. H. Clarke & Co.	Hughes, Ark.	62,730
Jack Hale	Box 261, Blytheville, Ark.	67,243	Milton Addison	1015 E. Tate, Brownfield, Tex.	62,724
C. O. Pitrat & Sons	Route 1, Box 12, Laveen, Ariz.	67,230	Sigmon Planting Co.	Sherard, Miss.	62,694
W. A. Fulford	1305 East Buckley, Brownfield, Tex.	67,216	Ralph W. Shelton	Box 726, Friona, Tex.	62,612
Mallory Farms	Chatfield, Ark.	67,186	Quinn Bros.	Salisbury, Mo.	62,590
T. R. Joines	Rural Route 2, Abernathy, Tex.	67,162	Clements Corp.	Box 304, Plainview, Tex.	62,589
Lowrance Bros & Co.	Driver, Ark.	67,002	Elmo Stephens	Olton Rt, Plainview, Tex.	62,579
Jack Duke	1314 Plum, Pecos, Tex.	66,919	Self & Co.	Marks, Miss.	62,548
Oelton Caddell	Route 1, Falls, Tex.	66,823	Dale Steele	Ford, Kans.	62,539
John Smith	Box 57, Maricopa, Ariz.	66,610	D. E. Reynolds, Jr.	Glendora, Miss.	62,519
D. H. Dew, Jr.	Eden, Miss.	66,594	Raymond Brown & J. M. Brown	Anguilla, Miss.	62,501
Charles Vonderahe	Box 215, Brawley, Calif.	66,571	C. Bruce Mace Ranch, Inc.	Box 190, Davis, Calif.	62,476
Barnard Bros.	2902 Kingsley Lane, Bakersfield, Calif.	66,515	Lynchfield Planting Co.	Tchula, Miss.	62,439
Vernon Goodwin	Box 395, Saegreaves, Tex.	66,485	R. L. Pillow	Box 128, Itta Bena, Miss.	62,402
Morris Stuhaan	29001 Rd 48, Visalia, Calif.	66,447	C. C. & Jack Harbison	Route 1, Mercedes, Tex.	62,378
Lone Oak Ranch	Box 386, Corcoran, Calif.	66,422	Guthrie Farming Co.	20210 Ave 176, P'ville, Calif.	62,332
J. Kroeker Sons	30335 Orange St., Shafter, Calif.	66,347	D. H. Dew, Sr.	Eden, Miss.	62,311
Arnold Farms, Inc.	Tunica, Miss.	66,311	Rufus C. Branch	Joiner, Ark.	62,291
Grady Shepard	Rural Route 1, Hale Center, Tex.	66,152	Dudley Pillow, Sr.	Greenwood, Miss.	62,273
G. Buster Brown	1104 North Olive Dr., Casa Grande, Ariz.	66,144	Hutton Brothers, Inc.	Orawer 558, Pahoee, Fla.	62,273
Cowan Bros.	LaGrange, Tenn.	66,069	O. F. Gremaud	Rural Route 3, Perryville, Mo.	62,271
Allen B. Helms	Clarkedale, Ark.	66,066	Dessert Seed Co., Inc.	P.O. Box 181, El Centro, Calif.	62,266
South Bay Growers, Inc.	Box 68, South Bay, Fla.	66,000	Buckshot Farms, Inc.	Box 428, Stanfield, Ariz.	62,252
Lake Plantation	c/o L. Taylor, Jr., Hughes, Ark.	65,983	Hawk & Sperber	Box 847, Hotville, Calif.	62,207
Leon C. Bramlett	Rural Route 3, Box 599, Clarksdale, Miss.	65,970	Billy Ray McInroe	RFD 2, Levelland, Tex.	62,129
Byron Campbell	795 West Rocky, Raymondville, Tex.	65,883	Marshall Cator	Box T, Sunray, Tex.	62,064
Elmer Heiskell	Rural Route 2 Box 212, Dalhart, Tex.	65,815	Alex Curtis	602 S Deer Creek Dr., W. Leland, Miss.	61,957
J. C. Moore Mercantile Co.	Rural Route 1, Marion, Ala.	65,802	Gordon Bros.	P.O. Box 366, Tranquillity, Calif.	61,915
Tunney Stinnett	Elaine, Ark.	65,758	Poplar Grove Pltg./Ref. Co.	Route 2 Box 69, Point Allen, La.	61,907
M. & T., Inc.	P.O. Box 308, Chico, Calif.	65,707	H. H. Twiford	Alligator, Miss.	61,824
Neil Rasor	Box 117, Royal City, Wash.	65,671	John C. Reistino	1002 San Jose St., Hearne, Tex.	61,768
Cotton Dixie, Inc.	c/o J. B. Baker, Webb, Miss.	65,660	Rural-Mascot Pltn. Inc.	Rural Route 2 Box 161, Clarksdale, Miss.	61,709
Arthur P. Gumz	North Judson, Ind.	65,612	F. E. Motley	424 N. Glover, Hollis, Okla.	61,668
Billy Wayne Sisson	114 Liveoak, Hereford, Tex.	65,540	R.R. Rhymes Farm	Rural Route 5, Rayville, La.	61,668
Donald E. Morris	Fortescue, Mo.	65,516	J. R. Flaunt & Sons	Swan Lake, Miss.	61,656
E. P. Coleman, Jr.	P.O. Box 250, Sikeston, Mo.	65,467	Green Top Farms, Inc.	Route 4, Richmond, Mo.	61,584
Lee J. Fazzino	Rural Route 1 Box 259, Bryan, Tex.	65,438	L. L. Lawson	3307-43rd Street Lubbock, Tex.	61,555
S. & P. Farms, Inc.	Box 228, Gila Bend, Ariz.	65,428	J. S. Hoopes	Route 1 Box 115, Chandler, Ariz.	61,540
G. L. Morris, Jr.	McCrory, Ark.	65,342	D. D. McCall	Box 748, St. Pauls, N. C.	61,512
Herbert C. Harris, Jr.	Box K, Cherokee, Ala.	65,303	J. Antongiovanni	191 Oleander Ave., Bakersfield, Calif.	61,445
Otto Steinberg	Box 242, Plainview, Tex.	65,280	Vernon Swearingen	11050 West Mountain Whitney, Riverdale, Calif.	61,429
B. S. Baldwin & Sons	2908 McCall St., Bakersfield, Calif.	65,191	Mauldin Mauldin	2753 Maple, Yuma, Ariz.	61,412
Rowe & Turnbough	Box 1, Toyahvale, Tex.	65,131	Beers Bros.	Tyler, Ala.	61,411
L. H. Woodruff	McDade, La.	65,083	Leslie H. Laffere	Box 1504, Uvalde, Tex.	61,347
California Sturges Ginning Co.	Box 409, Yuma, Ariz.	65,056	W. H. Haggard, Jr.	Route 1, Box 35, Buckeye, Ariz.	61,313
Telles Farms	46031 West Nees, Firebaugh, Calif.	65,006	R. Creecy & T. Tate	Rural Route 2, Box 446, Osceola, Ark.	61,298
Antongiovanni Bros.	Route 7, Box 532, Bakersfield, Calif.	65,003	G. H. Barker	Marks, Miss.	61,294
Stonewall Planting Co.	P.O. Box 11, Thornton, Miss.	65,003	Sugarland Industries, Inc.	Box 45, Sugarland, Tex.	61,259
Dorris Jones	506 South White, Floydada, Tex.	65,001	Dick Sheffield	Webbers Falls, Okla.	61,252
Oaklawn Plantation, Inc.	Route 3, Box 36, Dundee, Miss.	64,929	Panetta & Loftis	12771 Road 112, Tipton, Calif.	61,252
Hogue Produce Co.	Box 66, Firebaugh, Calif.	64,863	James O. Payne	Star Route Box 96, Wasco, Calif.	61,228
Kirkland & Best	P.O. Box 97, Ulmers, S.C.	64,783	Diamond Ring Ranch	1745 Lynwood Pl., Casper, Wyo.	61,224
Carr Planting Co.	O. C. Carr, Jr., Clarksdale, Miss.	64,746	Reyher Farms	Care of Herb Reyher, Pres., McClave, Colo.	61,178
Pappas & Co., Inc.	P.O. Box 477, Mendota, Calif.	64,689	P. K. McGregor	Inverness, Miss.	61,169
Robert F. Ashley	South Kansas City RD, La Feria, Tex.	64,673	Charles E. Lynch	B'ville, S.C.	61,106
James Childress	Box 1088, Ozona, Tex.	64,554	Pi-Land & Cattle Co.	Route 2, Box 368, Blythe, Calif.	61,050

1968 TOTAL PAYMENTS OF \$60,000 AND OVER UNDER ASCS PROGRAMS (EXCLUDING PRICE SUPPORT LOANS)—Continued

Name	Address	Total payments	Name	Address	Total payments
J. N. Osterkamp Ranches	445 South Rio Vista, Brawley, Calif.	\$61,039	Thomas A. & Charles O'Neal	Route 1, Blenheim, S.C.	\$60,448
Coyne E. Killian	Star Route, Lorenzo, Tex.	61,002	M. L. Dudley & Co.	515 North Harrison, Fresno, Calif.	60,420
M. B. M. Farms	1315 West Palm Lane, Phoenix, Ariz.	60,973	Odell J. Wilson	Rural Route 3, Holly Springs, Miss.	60,417
Harp & Hansen	Post Office Box 295, Corcoran, Calif.	60,961	M. H. Rich, Jr.	Chatham, Miss.	60,401
Larry Woodard Farms, Inc.	Box 477, Lepanto, Ariz.	60,951	Marchini Bros.	P.O. Box 1, Tranquillity, Calif.	60,399
Taylor Bros.	Essex, Mo.	60,928	Trans Pecos Farms, Inc.	Box 1210, Pecos, Tex.	60,395
T. C. Buford	Glendora, Miss.	60,904	B. N. Word Co., Inc.	Wabbaseka, Ark.	60,372
Sunshine Valley Ranches	Box 788, Eloy, Ariz.	60,786	Doe Cattle & Land Co.	P.O. Box 401, Visalia, Calif.	60,370
M. I. Vance & J. A. Mortensen, Jr.	Route 2, Box 550, Tempe, Ariz.	60,724	James U. Yeldell, Jr.	Mer Rouge, La.	60,368
George Gabel	Dimmitt, Tex.	60,712	J. B. Pollock	Box 238, Hargill, Tex.	60,360
Nash Bros.	Redstone, Mont.	60,665	Gus Pugh Sons, Inc.	Portland, Ark.	60,244
Dowco Land Co.	432 28th St., Cairo, Ill.	60,655	Porter & Wentz, Inc.	P.O. Box 870, Brownsville, Tex.	60,237
Billy Joe Waldrup	Drew, Miss.	60,589	Lipe Farms, Inc.	In care of George Lipe, Indianola, Miss.	60,221
W. J. Denton Estate	In care of Ruby C. Denton, Executrix, Wilson, Ark.	60,564	W. J. Linn	Rural Route 3, Houston, Miss.	60,219
Paul Morgan	707 North 18th, Lamesa, Tex.	60,549	S. E. Lowrance Ranch	Box 36, Tranquillity, Calif.	60,175
J. Allen Baker Farms	25 NW. Ave G, Belle Glade, Fla.	60,547	Ed Wiest	133 West J St., Brawley, Calif.	60,154
B. C. Rhyne	Benton, Ala.	60,547	Floyd Robbs	Box 905, Willcox, Ariz.	60,135
Rex Neely	483 N. Jay St., Chandler, Ariz.	60,542	Lloyd M. Hale	Rural Route 1, Tulia, Tex.	60,116
George H. Moore	Rural Route 3, Canton, Miss.	60,520	A. A. Mabus	Phillip, Miss.	60,084
Otis Whitlock	Box 113, Bostwick, Ga.	60,502	Ganier Bros.	Hollandale, Miss.	60,050
Meacham Land & Cattle Co.	Lapwai Ind.	60,471	Millhaven Co.	J. K. Boddiford, Manager, Route 1, Sylvania, Ga.	60,041
W. T. Helbert	Rural Route 2 Box 109-B, Lorena, Tex.	60,466	H. Fox Tindal	Pinewood, S.C.	60,018
J. R. Tucker	Route 1, Box 122, Buckeye, Ariz.	60,459	Arthur B. Stavlo	Box 272, Sunray, Tex.	60,000

DEPARTMENT OF AGRICULTURE
APPROPRIATIONS, 1970—AMENDMENTS

AMENDMENTS NOS. 53 AND 54

Mr. WILLIAMS of Delaware. Mr. President, I submit two amendments intended to be proposed by me to the Department of Agriculture appropriation bill. The purpose of the first amendment is to restore the language of the House bill, which would place a limit of \$20,000 on the payments to any one individual or operator.

The argument has been made by some persons connected with the Department and persons who defend the large payments that if this \$20,000 limitation is included in the bill then due to a so-called snap-back provision in the law payments would revert to another program, which could result in equally high cost to the Treasury. I disagree with that reasoning. In my opinion it is only a last minute gasp of those who see this boondoggle program facing defeat. Nevertheless, rather than dispute that point, which can so easily be settled, I submit another amendment, intended to be proposed by me which would merely repeal the snap-back and thereby make certain that all the money saved by the amendment would be returned to the American taxpayers.

The PRESIDING OFFICER. The amendments will be received and printed and will lie on the table.

Mr. WILLIAMS of Delaware. I ask unanimous consent that both amendments be printed in the RECORD.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

AMENDMENT No. 53

On page 23, line 14, insert the following: "Provided further, That no part of the funds appropriated by this Act shall be used to formulate or carry out any price support program (other than for sugar) under which payments aggregating more than \$20,000 under all such programs are made to any producer on any crop planted in the fiscal year 1970."

AMENDMENT No. 54

On page 23, at the end of line 19, add a new paragraph as follows:

"Section 103(d)(12) of the Agricultural Act of 1949, as amended, is hereby repealed."

FEDERAL LANDS FOR PARKS AND
RECREATION ACT OF 1969

The Senate resumed the consideration of the bill (S. 1708) to amend title 1 of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897), and for other purposes.

Mr. JACKSON. Mr. President, when the Senate last considered the pending measure, S. 1708, the distinguished Senator from Wisconsin (Mr. PROXMIRE) desired an opportunity to review the proposed legislation and to consider offering amendments. I understand that the Senator from Wisconsin has two amendments that he will offer at this time.

Mr. PROXMIRE. Mr. President, 2 weeks ago I spoke at some length about S. 1708, a bill which would amend the Land and Water Conservation Fund Act. S. 1708 would make it possible for States or their political subdivisions to acquire surplus Federal property at from zero percent to 50 percent of fair market value where the property is to be used for recreational purposes.

Today I should like to offer to the Senate two amendments to S. 1708 which I believe would strengthen the bill considerably. Both amendments are designed to insure that when property is conveyed under the bill, the interests of the Federal Government will be fully protected.

I send to the desk the first amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 5, line 8, it is proposed to insert the following after Secretary of the Interior: "Provided, however, that the determination of the Administrator of the General Services Administration and the recommendation of the Secretary of the Interior shall not become effective until 60 calendar days after the proposed conveyance under this subsection has been submitted to the Senate and the House of Representatives respectively, neither House of Congress having recommended disapproval of the conveyance in the interim."

Mr. PROXMIRE. Mr. President, both amendments are the product of a lengthy discussion with former Senator Wayne Morse, of Oregon, who, as we all know, played such a fine role in the

Senate in fighting for the Morse formula throughout the years.

The first amendment would be attached as a proviso to subsection (2) of S. 1708. Subsection (2) provides that surplus Federal property may be acquired by the States and municipalities at 0 percent to 50 percent of fair market value, the percentage to be determined by the Administrator of the General Services Administration in accordance with the recommendations of the Secretary of the Interior. While I have great regard for both of these offices, I believe that some degree of control over the conveyance of surplus Federal property should remain vested in the Congress. After all, up until now, Congress has held 100-percent control over these transfers of property. It seems appropriate, therefore, that in giving GSA and the Secretary of the Interior authority to determine the percentage under subsection (2) that Congress should at least retain a final power of disapproval over the executive decision. Accordingly, I am introducing an amendment to S. 1708 which provides that the GSA determination and the Interior Department's recommendation shall not become operative until 60 days after the proposed conveyance has been submitted to both Houses of Congress, with neither House having disapproved the conveyance in the interim 60 days.

Mr. JACKSON. Mr. President, I have discussed this amendment with the able and distinguished Senator from Wisconsin, and I am in a position to accept it. I think the amendment will be helpful in monitoring the administration of this program. I see no objection to it at this time; however, there may be a constitutional question that will have to be ironed out in conference. I hope it will be acceptable to the executive branch in the present form.

The PRESIDING OFFICER (Mr. GRAVEL in the chair). The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

Mr. PROXMIRE. Mr. President, I have one other amendment which I send to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

July 1, 1969

SENATE

1. APPROPRIATIONS. Began consideration of H. R. 11612, the agricultural appropriation bill, 1970. Adopted all of the committee amendments with the exception of the two relating to funds for animal disease and pest control, the one providing necessary expenses for the special milk program, the one relative to milk for children in non-profit schools, summer camps, etc., and the one limiting farm subsidy payments to \$20,000. These amendments were passed over and will be considered on Mon. pp. S7404-5, S7428-53
2. SALINE WATER; RESEARCH. The Senate received and both Houses agreed to the conference report on S. 1011, to authorize an appropriation of \$26,000,000 for the fiscal year 1970 saline water conversion program with which to continue research, development, and testing in the technology of saline water conversion. This bill will now be sent to the President. pp. H5511, S7457-60
3. FOOD STAMPS. The "Daily Digest" states that the Agriculture and Forestry Committee voted to report (but did not actually report) "an original bill extending and revising the food stamp program, and authorizing funds therefor through fiscal year 1972." p. D574
4. SOIL CONSERVATION. Sen. Dirksen inserted a statement by Sen. Dole and an article from the USDA publication "Soil Conservation" on the contributions farm women have made to the development of Kansas. pp. S7420-21
5. TRUTH IN PACKAGING. Sen. Hart discussed the Fair Packaging and Labeling Act and inserted a list of package quantity standards which will be effective Oct. 1, 1969. pp. S7427-8
6. ADJOURNMENT. Agreed to a resolution that when the two Houses adjourn on Wed., July 2, they stand adjourned until Mon., July 7. p. S7405

HOUSE

7. DISASTER RELIEF. The Rules Committee reported a resolution for the consideration of H. R. 6508, the California disaster relief bill (p. H5549). As reported (see Digest 103) the bill provides:
 - (1) That the Federal Government bear the cost of repairing damage to timber roads under certain conditions.
 - (2) That the Secretaries of Agriculture and Interior have discretionary authority to cancel a timber purchase contract where it is determined that the damages are so great that restoration, reconstruction, or construction is not practical under this cost-sharing arrangement.
 - (3) That at the borrower's option, on that part of any loan in excess of \$500 made by the Small Business Adm. or the Farmers Home Adm. for property loss or damage as a result of these storms, floods, and high waters (to the extent that such loss or damage is not compensated for by insurance or otherwise), the SBA or FHA would be authorized to defer any or all interest or principal payments during the first 3 years of the loan on such disaster loan without regard to the borrower's ability to make these payments.

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued July 2, 1969
For actions of July 1, 1969
91st-1st No. 109

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HIGHLIGHTS: Senate debated agricultural appropriation bill. Senate committee voted to report food stamp bill. House Rules Committee cleared Calif. disaster relief bill and bill to reserve certain lands for Pueblo de Taos Indians. House committee voted to report bill to establish Council on Environmental Quality.

as urban or rural poverty areas. For the first two years the Federal maximum would be 90 percent of staffing costs, and payment of 75 percent of such costs is authorized for the next eight years. The amendment is intended to assure that a greater proportion of total centers' resources will be utilized for development of services in areas of greatest need.

(3). A third new clause would authorize the Secretary to make grants to local public or private non-profit agencies to meet up to 100 percent of the costs of initiating and developing a program for the delivery of community mental health services for persons in areas designated by the Secretary as urban or rural poverty areas. The grants would be for the purpose of assessing local mental health needs, developing necessary resources, involving local citizens in the development of mental health programs to serve the communities in which they reside. The grants would be for a one year period only, not to exceed \$50,000 per grant. (See discussion of Section 204, *ante*.)

Section 202—Applications and Conditions for Approval

A new clause would be added to Section 221(a) of the Centers Act to require that before a staffing or an initiation and development grant for a program for the delivery of community mental health services to persons in an urban or rural poverty area may be approved, the applicant must give the Secretary satisfactory evidence that persons broadly representative of all elements of the population of such area will be given an opportunity to participate in the development of the programs authorized.

Section 203—Extension of duration and section 204—Authorization of appropriations

(a) Authorization for staffing support appropriations is extended under Section 224 of the Centers Act for an additional five years, 1971-1975 inclusive. It would otherwise expire on June 30, 1970. Appropriation ceilings are specified as follows:

[In millions of dollars]

For the fiscal year ending June 30, 1971	\$60
For the fiscal year ending June 30, 1972	60
For the fiscal year ending June 30, 1973	80
For the fiscal year ending June 30, 1974	80
For the fiscal year ending June 30, 1975	100

(b). Section 224 of the Act is further amended by adding a new clause making available to the Secretary a maximum of five (5) percent of the staffing appropriation authorized for each fiscal year to make the initiation and development grants to local public or private non-profit agencies authorized by Section 201, *supra*.

(c). The provision in Section 224 of the Act which presently authorizes staffing continuation grants for Fiscal Year 1967 and the next seven years is amended to cover Fiscal Year 1967 and each of the next 17 years.

Section 205—Cost of compensation of staff

(a). The qualifying words "professional and technical" under Section 220(a) in describing the personnel whose salaries may be covered under the staffing portion of the Act would be eliminated. The new authorization would be for a portion of the costs "of compensation of personnel for the initial operation." This would make it possible to offer Federal staffing assistance for all center employees, including those with administrative or housekeeping responsibilities primarily and might lend impetus to a growing trend to employ sub-professionals in a variety of useful ways.

(b). In conformance to the above, the heading of Part B of the Act covering staffing

is amended to read: "Grants for Initial Cost of Personnel of Centers."

TITLE III—AMENDMENTS RELATING TO COMMUNITY MENTAL HEALTH CENTERS AND FACILITIES FOR THE MENTALLY RETARDED

Section 301—Cost of land included in cost of construction

The term "construction," as defined in Section 401(e) of the Centers Act would be amended to include the cost of the acquisition of land as a reimbursable construction cost. This cost is specifically excluded in the existing definition. At present, a number of communities have found it impossible to develop a center because of lack of financial resources to purchase a building site or to acquire land on which a suitable building is already located. This amendment should prove particularly useful in urban disadvantaged areas.

Section 302—Federal Share to Maximum; Higher Share for Disadvantaged Areas

Section 402 of the Act, which permits State plans to include standards for determining a variable Federal share of construction costs based on a State's own assessment of its priority needs, would be repealed.

The existing lower limit (33½ percent) on the Federal share of the costs of construction would be eliminated. It would then be possible for the Federal contribution to be any amount up to a maximum of 66⅔ percent. A State would be required to give the Secretary written notification of the maximum Federal share established, the variable share established for each project, and the method for determining such shares. Once the maximum share and the method of determination have been approved, a State may not change either during the fiscal year in which established.

The amendment also authorizes a higher Federal share of the costs of construction for projects which will provide services for persons in areas designated by the Secretary as urban and rural poverty areas. The new maximum would be 90 percent, instead of 66⅔ percent for non-poverty areas.

Section 303—Period for Promulgation of Federal Percentages

The deadline for promulgating Federal percentage of construction costs will be extended from August 31 to September, for reasons of administrative convenience.

S. 2527—INTRODUCTION OF A BILL TO REPEAL THE AUTOMOTIVE PRODUCTS TRADE ACT OF 1965

Mr. GORE. Mr. President, I have today introduced a bill to repeal the Automotive Products Trade Act of 1965, the legislation which implemented the unwise and hurtful trade agreement with Canada governing automotive products.

I have spoken out on this matter many times, and find it continually distressing that few of my colleagues have seen fit to interest themselves in this agreement. I again call this matter to the attention of my colleagues, particularly since a Cabinet-level meeting to discuss trade and related matters was held last week here in Washington between United States and Canadian officials.

According to press reports, despite the fact that this trade agreement has so obviously and demonstrably worked to the detriment of the United States, our representatives at the meeting last week had no plans to press for liberalization of the agreement. I suppose it should be considered a victory for our side if we emerge no worse off than before, given the past history of this sorry charade.

The Congress is supposed to receive an "annual" report on the working of this agreement. Thus far, the agreement having been in operation for some 4½ years, we have received two reports, the most recent having come to Congress well over a year ago. On inquiring last week, I was advised that another report is now at the printer, but cannot be expected on Capitol Hill for another 2 weeks or so.

This new report will probably show that our balance of payments has been worsened by about a billion dollars per year as a result of this agreement. In other words, instead of having a favorable trade balance in automotive products of about one-half billion dollars, as was the case immediately prior to the entering into effect of this agreement, we will now show about a half billion dollar deficit in this commodity.

It will be interesting to see what the Nixon administration does about this, whenever it can get around to giving it any thought. And do not misunderstand. I am not blaming this fiasco on the Republicans. This agreement was a truly bipartisan effort at economic suicide, having been worked out by a Democratic administration and supported in the Senate by a solid 95 percent Republican vote.

I will continue to do what I can to bring this to the attention of the administration and my colleagues, and look forward, though not with happy anticipation, to reviewing the third annual report when it shall have been received.

In the meantime, I hope colleagues will be interested in reading the article which appeared in the Journal of Commerce for June 24, which is somewhat in the nature of a brief report on the recent workings of this agreement. I ask unanimous consent that this article be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Journal of Commerce, June 24, 1969]

UNITED STATES-CANADA TRADE TO BE AIRED
(By Richard Lawrence)

WASHINGTON, June 23.—U.S. and Canadian cabinet officers meet here this week against the background of a sharply negative swing in the American trade balance with Canada.

U. S. inflation is partly the culprit but the single biggest factor in the current deficit is a unique bilateral pact called the U. S.-Canadian Automotive Products Agreement.

In 1964-65, just before the pact took full effect, U. S. automotive trade surpluses with Canada averaged \$550 million a year. Last year, the United States came off with a \$240 million deficit, according to the Commerce Department's Bureau of International Commerce, and through April this year, the deficit was up to \$125 million—five times that of 12 months earlier.

NOT TO ASK LIBERALIZATION

Despite this, the U. S. cabinet team, led by Secretary of State William Rogers, apparently will not press the Canadians for any liberalization of the imperfectly balanced agreement.

Though Canada has reversed the auto trade flow to her advantage by nearly \$1 billion, she declines to relax her special import controls applied against U. S. vehicles and parts.

While the United States lets in duty-free all new Canadian vehicles and parts—no strings attached—Canada limits its duty-free entry to purchases made by licensed Canadian manufacturers.

Manufacturers get a license if they maintain a prescribed percentage of Canadian content in their production and adhere to a Canadian production-sales ratio fixed by Ottawa. Both measures are designed to limit imports.

KENNEDY ROUND

Any Canadian other than those manufacturers must pay a 15 per cent duty on U. S. car purchases and duties ranging from 15 to 17 per cent on parts. These rates reflect Canada's recent move completely implementing the 1967 Kennedy Round concessions.

U. S. officials—outside the State Department and the Commerce Department's Business and Defense Service Administration, where the pact is still defended—contend the special agreement with Canada has been a major factor in the crumbling U.S. trade balance.

The agreement was deliberately designed to favor Canada, which had been threatening economic curbs against the United States if its auto industry was not helped. State and Commerce officials led in the negotiation.

Reports persist that the pact was actually born out of President Johnson's desire to repay Canadian Prime Minister Pearson for a 1964 troop commitment during the Cyprus crisis.

REPUBLICAN VOTES

The agreement passed the Senate on a solid bloc of Republican votes, apparently delivered by Sen. Everett Dirksen (Ill.), who, some said, persuaded Mr. Johnson to relax his push for repeal of the "right to work" law.

A year ago, Sen. Vance Hartke (D-Ind.), spotting the steady deterioration in the U.S.-Canadian trade balance, called a Finance Committee hearing to probe the pact's effects. But administration officials, juggling figures, insisted the agreement was still to this country's advantage.

Spokesmen for the major auto companies, whose subsidiaries produce the great bulk of Canada's motor vehicles, were for the bilateral pact as strongly as ever.

With Ford producing the "Maverick" in Ontario, the U.S. trade deficit can be expected to worsen further. Detroit's Canadian subsidiaries are using the agreement to "integrate" or boost Canadian car output, much of it for the U.S. market.

IMPORTS INCREASE

Last year, more than a half-million Canadian cars, valued at nearly \$1.4 billion, entered the U.S. three years earlier, only \$35,000 cars had been shipped across the border.

The administration, despite its concern over the country's general trade balance, may not be pressing Canada to liberalize the auto pact out of fear. The Canadians would "retaliate" in other areas, such as by raising lumber prices.

Those earlier than scheduled Kennedy Round concessions are another talking point Ottawa might use to argue against easing the Canadian controls. But it is doubtful that slightly lower Canadian tariffs will exercise much, if any, effect on auto trade.

The two cabinet teams—Foreign Minister Mitchell Sharp will head the Canadian delegation—are also due to talk on such other matters as wheat and oil policy. It is not expected that any substantive decisions will emerge from the two days of discussions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2527) to repeal the authority of the President to proclaim modifications of the Tariff Schedules of the United States under the Automotive Products Trade Act of 1965 and to terminate modifications of such schedules heretofore proclaimed under authority of such Act, introduced by Mr. GORE, was received, read twice by its title, and referred to the Committee on Finance.

ADDITIONAL COSPONSORS OF BILLS

S. 849

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Kentucky (Mr. Cook) be added as a cosponsor of the bill (S. 849) to strengthen the penalty provisions of the Gun Control Act of 1968.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2259

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Kentucky (Mr. Cook) be added as a cosponsor of the bill (S. 2259) to amend the Federal Credit Union Act to assist in meeting the savings and credit needs of low-income persons.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2518

Mr. HARTKE. Mr. President, through an unfortunate inadvertence, the name of my distinguished friend, the Senator from North Dakota (Mr. BURDICK), was omitted from the list of cosponsors of the bill (S. 2518) to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder. This omission was especially disappointing since the gentleman from North Dakota was one of the earliest and most enthusiastic of those who so graciously offered to cosponsor this bill.

I ask unanimous consent, Mr. President, that the permanent RECORD be corrected to include Senator BURDICK's name among those listed as cosponsors. I further ask unanimous consent that, at its next printing, the names of the Senator from North Dakota (Mr. BURDICK) and the Senator from Connecticut (Mr. RIBICOFF) be added as cosponsors of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1970—AMENDMENTS

AMENDMENT NO. 57

Mr. INOUE submitted amendments, intended to be proposed by him, to the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, which were ordered to lie on the table and to be printed.

PROTECTION OF CONSUMERS AGAINST ARBITRARY, ERRONEOUS, AND MALICIOUS CREDIT INFORMATION—AMENDMENTS

AMENDMENT NO. 58

Mr. JAVITS submitted amendments, intended to be proposed by him, to the bill (S. 823) to enable consumers to protect themselves against arbitrary, erroneous, and malicious credit information, which were referred to the Committee on Banking and Currency and ordered to be printed.

(The remarks and amendment of Mr. JAVITS appear earlier in the RECORD under the appropriate heading.)

COLLECTION OF FEDERAL UNEMPLOYMENT TAX IN QUARTERLY INSTALLMENTS—AMENDMENT

AMENDMENT NO. 59

Mr. GOODELL submitted an amendment, intended to be proposed by him, to the bill (H.R. 9951) to provide for the collection of the Federal unemployment tax in quarterly installments during the taxable year, and for other purposes, which was ordered to lie on the table and to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO DEPARTMENT OF AGRICULTURE APPROPRIATION BILL

AMENDMENT NO. 60

Mr. GOODELL submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 11612) an act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, the following amendment, namely: On page 23, line 14, after the colon, insert the following:

"Provided further, That:

"(1) None of the funds appropriated by this Act or any funds available to the Commodity Credit Corporation shall be used to make price support payments or acreage diversion payments which will result in a total of such payments to any producer in excess of \$10,000 for each of the 1970 crops of upland cotton, extra long staple cotton, wheat, and feed grains.

"(2) If the foregoing payment limitation reduces the payments which otherwise would be made to a producer of feed grains (which for the purposes hereof shall be considered as a single commodity) and wheat on any farm, the minimum acreage diversion requirements for such commodity on the farm or farms shall be reduced by the same percentage as the payment to the producer of such commodity on the farm are reduced by the limitation. The term "payment" includes payments-in-kind, wheat marketing certificates and export marketing certificates, but does not include loans or purchases.

"(3) If the foregoing payment limitation reduces by 20 percent or more the payments which otherwise would be made to a producer of either upland or extra long staple cotton on any farm, such producer, without affecting his status as a cooperator and without being subject to marketing quota penalties, may be permitted by the Secretary of Agriculture to exceed the applicable cot-

ton acreage allotment for the farm by not more than 30 percent.

"(4) The Secretary may not permit the owner and operator of any farm, for which the foregoing cotton payment limitation reduces the payment that otherwise would be made, to sell or lease all or any part of the right to all or any part of such allotment, to any other owner or operator of a farm, unless he finds the lease or sale is not for the purpose of evading the foregoing payment limitation.

"(5) Acreage planted to the 1970 crop of cotton in excess of the acreage allotment for the farm established under section 344 of the Agricultural Adjustment Act of 1938, as amended, shall not be taken into account in establishing future State, county and farm acreage allotments and shall not be considered as part of any acreage allotment.

"(6) Section 103(d)(12) of the Agricultural Act of 1949, as amended shall not be applicable to the 1970 crop of cotton.

"(7) The Secretary of Agriculture shall provide such regulations as he determines necessary to effectuate the purposes of this section and to prevent evasion of the limitations contained in this section."

Mr. GOODELL also submitted an amendment, intended to be proposed by him, to House bill 11612, making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

ANNOUNCEMENT OF HEARINGS ON AMENDMENTS TO THE VOTING RIGHTS ACT OF 1965

Mr. ERVIN. Mr. President, I wish to announce that the Subcommittee on Constitutional Rights will hold hearings on S. 818 and S. 2507, bills to amend the Voting Rights Act of 1965, on July 9 at 10 a.m. in room 155, Senate Office Building, and on July 10 at 10 a.m. in room 2228, New Senate Office Building.

Anyone wishing further information, please contact the subcommittee office.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ERVIN. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

George E. Tobin, of California, to be U.S. marshal for the northern district of California for the term of 4 years, vice Louis H. Martin.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the Committee, in writing, on or before Tuesday, July 8, 1969, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARING

Mr. McCLELLAN. Mr. President, on behalf of the Committee on the Judi-

ciary, I desire to give notice that a public hearing has been scheduled for Thursday, July 10, 1969, at 10:30 a.m., in room 2228, New Senate Office Building, on the following nominations:

Ozell M. Trask, of Arizona, to be U.S. circuit judge, ninth circuit, vice a new position created under Public Law 90-347, approved June 18, 1968

Eugene A. Wright, of Washington, to be U.S. circuit judge, ninth circuit, vice a new position created under Public Law 90-347, approved June 18, 1968

Gerald S. Levin, of California, to be U.S. district judge for the northern district of California, vice a new position created under Public Law 89-372, effective September 18, 1966

H. Emory Widener, Jr., of Virginia, to be U.S. district judge for the western district of Virginia, vice an additional position established by title 28, U.S.C., section 372(b), November 6, 1967

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Mississippi (Mr. EASTLAND), chairman; the Senator from Nebraska (Mr. HRUSKA), and myself.

ORDER FOR ADJOURNMENT

Mr. KENNEDY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSE CONCURRENT RESOLUTION 296—ADJOURNMENT FROM WEDNESDAY, JULY 2, 1969, TO MONDAY, JULY 7, 1969

Mr. KENNEDY. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Concurrent Resolution 296.

The PRESIDING OFFICER laid before the Senate the concurrent resolution.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the concurrent resolution.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

There being no objection, the concurrent resolution (H. Con. Res. 296) was considered and agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Wednesday, July 2, 1969, they stand adjourned until 12 o'clock meridian, Monday, July 7, 1969.

ORDER FOR THE SECRETARY OF THE SENATE TO RECEIVE MESSAGES AND FOR COMMITTEES TO FILE REPORTS DURING ADJOURNMENT OF THE SENATE

Mr. KENNEDY. Mr. President, I ask unanimous consent that during the adjournment of the Senate from the close of business on Wednesday, July 2, until noon on Monday, July 7, the Secretary of the Senate be authorized to receive

messages from the President of the United States and the House of Representatives, and that the messages may be appropriately referred.

I further ask unanimous consent that during the same period all committees be authorized to file reports, including any minority, individual, or supplementary views.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Constitutional Rights of the Committee on the Judiciary and the Subcommittee on Roads of the Committee on Public Works be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEMORIAM FOR HARRISON TWEED

Mr. JAVITS. Mr. President, it has always been true of the legal profession that lawyers do not confine their services to the wealthy and to courtrooms. Community service and help for the poor are considered part of a lawyer's sworn duty. I know of no other lawyer who has exemplified this ideal more than Harrison Tweed, of whose recent loss we speak in memoriam today.

A founder of the distinguished law firm of Milbank, Tweed, Hadley, & McCloy, Harrison Tweed devoted a major part of his life to education in and out of law, and above all he was the apostle of legal aid for the poor. He was a trustee of Sarah Lawrence College from 1959 through 1960. He was a member of the board of overseers of Harvard University, where he received his college and law degrees, from 1950 to 1956. Always interested in legal education, he was president of the American Law Institute from 1947 to 1961, and chairman of the American Law Institute and American Bar Association's program on continuing legal education.

One of the great revelations of the Federal Government's war on poverty, instituted in the 1960's, was the need of the poor for legal services and the poor's appreciation of such aid in terms of dignity and satisfaction. Since I have always believed most strongly in providing legal assistance to the poor on a regular basis, Mr. Tweed's contribution to this most vital need commanded my great respect. He was director of the National Legal Aid Association and author of "Legal Aid Society—New York 1876-1951." He was a leading force in the New York City Legal Aid Society and of the various bar associations.

It is not just the passing of a friend and fellow lawyer which touches me, but it is the realization that a symbol of what a high-minded member of the bar and a fine community servant is gone. I hope that Harrison Tweed's example will pass on to many new lawyers and public spirited people.

STATUS OF FUNDING UNDER PRIVATE PENSION PLANS

Mr. JAVITS. Mr. President, Mr. Frank L. Griffin, Jr., vice president and actuary for the Wyatt Co., and Mr. C. L. Trowbridge, vice president and chief actuary for Bankers Life Co., have recently completed the first factual nationwide study of funding of private pension plans in the United States. Their study was undertaken for the Pension Research Council, of the Wharton School of Finance and Commerce, of the University of Pennsylvania and was published as a book in May. It was partially funded by a grant from the Department of Health, Education, and Welfare.

As the author of S. 2167, a bill which would establish minimum standards of vesting and funding for all private pension plans, I am naturally extremely interested in the study of Messrs. Griffin and Trowbridge. Insofar as funding is concerned, the study showed that most private pension plans in America are extremely well funded. Thus, of the 1,047 plans closely analyzed in the study the aggregate asset values were \$22 billion and the value of accrued benefits also totaled \$22 billion. The exact equivalence is coincidental; the point is that on a total basis all accrued benefits under the plans studied were fully funded. Moreover, the total value of vested, accrued benefits was \$18 billion.

On an individual plan basis, the study found that over 70 percent of the plans with effective funding periods of 15 years or more were actually more than fully funded, that is their assets exceeded their accrued benefits. Of particular significance in terms of the funding standards which would be required by S. 2167, the study showed that most private pension plans are funding well ahead of the 40-year schedule which would be required under the bill, for existing plans.

The study also examined the degree of vesting in the plans studied. Approximately 27 percent of the plans studied met a 10-year vesting schedule, an additional 42 percent met a 20-year schedule, and the remaining 31 percent had no vesting or vesting later than 20 years. While these figures would indicate that the vesting standards which would be in effect under S. 2167—10 percent after 6 years and 10 percent per year thereafter with full vesting at the end of 15 years—would not be met, at present, by perhaps half of the plans, the figures on funding, particularly those showing that vested benefits are fully funded, indicate that many, perhaps even the vast majority, of plans could significantly increase their vesting without any increase at all in the amounts which would have to be contributed to meet the funding standards provided under S. 2167.

Clearly, this is a highly significant study in terms of the workability and practicability of the type of legislation I have authored. It certainly belies the claims of those who have been saying that legislation such as S. 2167 would discourage the further growth of the private pension system.

As I have emphasized again and again, I am completely committed to fostering the growth of the private plan system;

and I have never believed that requiring private plans to meet minimum standards of equity and fairness, through funding and vesting, would hinder their development. This study certainly seems to bear my thesis out.

Of course, I recognize that the authors of the study did not actually study every pension plan in the country and the conclusions they reached may not accurately reflect the true situation in the country for all plans. However, the study was done as carefully as possible; every detail of methodology is explained in the study and due allowance is made for types of plans underrepresented in the sample subjected to scrutiny. The whole study took 5 years to complete, and the authors studied almost 4,000 plans accounting for more than 9 million participants, about 44 percent of the estimated coverage of plans in existence for 10 years or more at the time of the study. Certainly there is no other study which approaches this one, either in the amount of plans carefully studied, or in the rigorous methodology employed to obtain the results.

Mr. President, in view of the importance of this entire subject, I ask unanimous consent that a summary of the study which has been distributed by the Pension Research Council, be printed in the RECORD.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

THE FIRST NATIONWIDE STUDY OF BENEFIT SECURITY UNDER PRIVATE PENSION PLANS IN THE UNITED STATES—A SUMMARY OF A BOOK STATUS OF FUNDING UNDER PRIVATE PENSION PLANS

(By Frank L. Griffin, Jr., Vice President and Actuary, The Wyatt Company and C. L. Trowbridge, Vice President and Chief Actuary, Bankers Life Company, and published by Richard D. Irwin, Inc. for The Pension Research Council, Wharton School of Finance and Commerce, University of Pennsylvania, May 1969)

BACKGROUND

The Pension Research Council has had a long and continuing interest in the security of the legitimate benefit expectations of participants in private pension plans. In 1958, it initiated a five-year study of the legal, financial, actuarial and regulatory environment in which private pension plans operate and in an effort to assess in a general way the prospects that the benefit expectations of pension plan participants would be realized. This study resulted in the publication of five volumes. The general conclusion of the study was that there were elements in the overall pension environment that could lead to the nonfulfillment of pension promises. The emphasis was on the conditions that could lead to frustration of benefit expectations rather than the development of statistical or other evidence that benefit expectations were, in fact, being frustrated. Especial concern was expressed that employers and other plan sponsors might not be following financial practices that employers and other plan sponsors obligations.

The questions raised in the study were disturbing to many persons associated with the private pension movement, some of whom sought to develop objective evidence that would either substantiate the concerns expressed in the study or show them to be groundless. In an effort to shed light on the vital area of funding, Frank L. Griffin, Jr., vice president of The Wyatt Company in

charge of its Chicago office and an internationally recognized expert on pension plans, examined the relationship between the assets and the actuarial liabilities of the pension plans serviced by his office that had been in process of funding for ten years or more. The results of his investigation, which showed an eminently satisfactory level of funding, were presented in a paper before the 1964 Annual Meeting of the Conference of Actuaries in Public Practice. More important than the specific findings of this limited investigation was the methodology developed by Mr. Griffin to measure the funding progress of the plans included in his survey. He computed the market value of the pension plan assets and expressed it as a percentage of single sum value of the accrued benefits. He termed this relationship the "benefit security ratio."

The Pension Research Council quickly sensed that application of the Griffin methodology to a representative sample of the private pension universe could provide meaningful insights into the financial aspects of benefit security and serve as a fitting sequel to the Council's earlier study of the qualitative elements of pension security. Mr. Griffin, whose firm is identified with trust fund plans, was consulted about such a study and ultimately agreed to undertake the more extensive investigation if a suitable representative of the life insurance companies could be persuaded to serve as codirector of the study. Charles L. Trowbridge, vice president and chief actuary of Bankers Life Company and author of classic actuarial papers on pension funding, consented to collaborate with Mr. Griffin, and the project was underway.

The study was limited to nongovernmental plans in process of funding for ten years or more and covering at least twenty-five employees. These constraints were adopted in order to keep the number of cases within manageable bounds and to exclude those plans which on any reasonable standard of funding could not be expected to have funded in full, or in substantial part, the initial supplemental liability.

The central item of information sought with respect to these plans was the actuarial value of the accrued benefits. These values, computed with rate factors representative of those being quoted at the time by the leading life insurance companies, were to be compared to the respective asset accumulations to derive the benefit security ratio (BSR) for each plan in the study and for various classifications of plans. This approach was based on the premise that the relationship as of any given date between the assets of a pension plan and the actuarial value of its accrued benefit obligations serves as the most relevant and easily understood measure of the security attaching to such benefit accruals as of that time. Furthermore, the approach makes possible valid comparisons on a reasonably uniform basis of the funding progress under plans having heterogeneous characteristics and employing diverse actuarial cost methods as a guide to funding policy. To make the results even more meaningful, Messrs. Griffin and Trowbridge developed some benchmarks, arbitrary but realistic, that indicate at various durations the level of funding that might obtain under typical patterns of funding. As a further measure, plan assets were compared to the actuarial value of *vested* accrued benefits, the relationship being referred to as the VBSR.

The raw materials for the study were in the files of the actuarial consulting firms and life insurance companies that service the plans involved. Thus, it was necessary to enlist the cooperation of these firms. An appeal to participate in the project went out to the consulting firms and life insurance companies believed to be associated with the bulk of the plans falling within the purview of the study. Many found it impossible or impracticable to participate because of the demands that would be placed upon their tech-

TABLE 4.—THE COST OF AMERICAN WARS, BY RANK

[In millions]

War	Estimated initial cost ¹	Total veterans' benefits	Estimated interest on war loans	Estimated ultimate cost
World War II	\$288,000	\$290,000	² \$86,000	\$664,000
Vietnam conflict	110,000	³ 220,000	³ 22,000	³ 352,000
Korean conflict	54,000	99,000	⁴ 11,000	164,000
World War I	26,000	75,000	11,000	112,000
Civil War (Union only)	3,200	8,580	1,172	12,952
Spanish-American War	400	6,000	60	6,460
American Revolution	100	70	⁵ 20	190
War of 1812	93	49	16	158
Mexican War	73	64	59	147

¹ Major national security expenditures.² Assumes an interest rate of 40 percent of original cost, on approximately the same rate of increase for the Civil War and World War I.³ Medium estimates, see table 3.⁴ Assumes an interest rate of 20 percent of original cost.⁵ Assumes an interest rate of 20 percent of original cost.

Source: Tables 1-3.

TRUTH IN PACKAGING

Mr. HART. Mr. President, today is the day that truth in packaging—more formally known as the Fair Packaging and Labeling Act—goes into effect.

That should be no great news flash—except for the past 4 months various publications and even consumer champions have been condemning the law for its ineffectiveness. Obviously, it is news to them that lackadaisical implementation has resulted in this enforcement.

The question of just when consumers can expect the help Congress promised in enacting this law in November 1966 was further clouded last week when the Federal Trade Commission announced it was delaying the effective date of its share of regulations.

The 11th-hour delay resulted, I understand, because a number of manufacturers of various products are suing the Federal Trade Commission for promulgating regulations which they contend go beyond the intent of Congress. While that FTC decision looks on the surface as a terrible setback for the law—and consumers—I suspect it really is not quite as bad as it looks.

For, obviously, by last week manufacturers who were going to comply with the July 1 deadline had taken the steps necessary to do so.

The ones who were arguing about the matter were not in compliance anyhow.

The FTC decision does, in effect, tie the hands of State officials who could have moved against manufacturers who had not complied by July 1.

How far reaching that effect is, I could only guess.

The thing that troubles me most about the whole truth-in-packaging saga is the treatment the law received since its enactment.

We all recall how, after about 5 years of strong controversy in Congress, the

law was finally passed—almost unanimously—by both Houses. The vote seemed a mass conversion with diehard opponents suddenly giving testimony for the grand cause of consumerism.

It soon became apparent that all was not what it seemed to be.

The spotlight shifted to other corners. The heat was off from consumer groups who thought the war—not just the battle—was won. And spots reappeared on the leopards.

When the agencies who were ordered by Congress in its burst of consumer protectionism to implement the law came asking for really minuscule appropriations to finance the drafting of regulations, they were turned down.

Further, they were ordered—yes, not advised but ordered—to give low priority to implementing the law.

And consumers never knew what hit them—or who dashed the great hopes they had for this, the first law designed to protect their economic interests.

So who has been blamed for the “ineffectiveness” of the law over the past 18 months?

Not a “who” but a “what.” The law itself has been criticized for not being a panacea for all consumer ills.

To an extent that criticism has some foundation. Truth in packaging was never intended as a panacea. All it is supposed to do is give the consumer sufficient information to allow him to make more rational buying decisions in the supermarket than he has been able to.

It offers no guarantee of quality—or warranty—or replacement—or that consumers will make the best decision in each case.

But what it does offer has been denied the consumer by a series of subterfuge, delay, and frustration.

This is the saga of truth in packaging

PACKAGE QUANTITY STANDARDS

Product	Simplified quantity patterns	From—	To—	Percent reduction	Date effective
Adhesive bandages	Total number per package to be in multiples of 10—from 10 to 100	37	10	73	June 30, 1969.
Dry breakfast cereals (except individual servings)	Packaged in whole ounces only—no fractional ounces	33	16	52	Jan. 1, 1969.
Cheese: American type (including Cheddar), swiss, low moisture Mozzarella, Provolone, cream, brick and Muenster, pasteurized process cheese, pasteurized process cheese food, pasteurized process cheese spread.	0 to 4 oz. packages—no limits 4 to 12 oz. packages—1 oz. increments 12 to 24 oz. packages—4 oz. increments (except 13½ oz.) 24 to 48 oz. packages—8 oz. increments	22	14	36	July 1, 1969 (estimated).

that consumers should understand. Once they do, they may direct their disappointment and frustration in the right direction.

That direction, in my opinion, is not at the law itself.

There is no trickery or sleight-of-hand in the language of the law. It can do today exactly what it claimed to be able to do on November 3, 1966, when it was heralded so grandly on enactment.

That is all—no more and no less.

But it has not been able to do even that much because many of its so-called friends turned against it—and others neglected to show any interest in how it was being tended and cared for.

Even at that, today the first regulations of the law are effective. Because the Food and Drug Administration does have jurisdiction for the bulk of the products in the supermarket, consumers can now expect to find out how much, of what, is in a box without standing on their head or engaging in higher mathematics.

For this step, I am grateful.

Also, I am happy to see that as of today the number of sizes of packages for 22 product lines have been reduced from 20 to 91 percent. These standards, worked out by the Department of Commerce with industry, include dry cereals, detergents, facial tissues, green olives, instant coffee, and cooking oils.

Mr. President, I ask unanimous consent to have entered in the RECORD at the conclusion of my remarks a list of the 22 products and of one other for which standards will be effective October 1, 1969.

Commerce tells me that these products—along with standards in process of being promulgated—will cover 65 percent of annual supermarket expenditures by consumers.

Needless to say, I wish them “God-speed” in finalizing the standards in process.

And I, with many consumers, will be watching the impact of the regulations that take effect today. It seems this is the appropriate time to begin evaluating how good a job the law can do for consumers.

I am hopeful that it will be helpful in many ways. But I am not averse to coming in here in a reasonable period of time to suggest ways to improve it—after it has been tested.

Nor am I averse to doing what I can to overcome the undercutting of Congress which has held up implementation of this much of the law and which leaves us today with so much of it unimplemented.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PACKAGE QUANTITY STANDARDS—Continued

Product	Simplified quantity patterns	From—	To—	Percent reduction	Date effective
Cookies and crackers	0 to 4 oz. packages—no limits 4 to 8 oz. packages— $\frac{1}{4}$ oz. increments 8 to 16 oz. packages— $\frac{1}{2}$ oz. increments Over 16 oz. packages—1 oz. increments	73	56	23	Jan. 1, 1969
Dry detergents (heavy duty and normal density, 1 to 8 lb. range).	20, 22, 49, 54, 84, and 92 oz.—6 quantities, 3 carton sizes.	24	6	75	In effect.
Facial tissues	40 to 100 count package—10 count increments 100 to 200 count package—25 count increments 200 to 300 count package—50 count increments 300 to 500 count package—100 count increments Exceptions: 280—140 until Jan. 1, 1972.	16	13	19	July 1, 1969.
Gift wrapping	10 to 50 sq. ft. per package—whole square feet increment 50 to 100 sq. ft. per package—5 sq. ft. increment Over 100 sq. ft. per package—10 sq. ft. increment	(1)	(1)	(1)	Oct. 1, 1970.
	Minimum sheet length				
	Maximum core diameter:				
	Paper	Foil	Luxury		
	1 $\frac{1}{2}$ in.	27 in.	27 in.	(1)	Oct. 1, 1969.
	2 $\frac{3}{4}$ in.	20 ft.	8 ft.		
	3 $\frac{1}{4}$ in.	30 ft.	12 ft.		
Green olives	0 to 4 oz. packages— $\frac{1}{2}$ oz. increments 4 to 10 oz. packages—1 oz. increments 10 to 16 oz. packages—2 oz. increments Over 16 oz. packages—21 oz. increments	50	20	60	July 1, 1969 (estimated).
Instant coffee	2, 4, 6, 8, 10, 12, and 16 oz.	10	8	20	Jan. 1, 1969.
Instant potatoes	0 to 4 oz. packages— $\frac{1}{4}$ oz. increments 4 to 8 oz. packages— $\frac{1}{2}$ oz. increments 8 to 16 oz. packages—1 oz. increments 16 to 32 oz. packages—4 oz. increments Over 32 oz. packages—8 oz. increments Servings to be standardized at 4 oz.	(1)	(1)	(1)	July 1, 1969 (estimated).
Instant tea	(100 percent type) 1, 2, 3, 4 oz. per package (Carbohydrate type) 2, 4, 6, 8 oz. per package	12	4	67	In effect.
Jellies and preserves	10, 12, 16, 18, 20, 24, 28, 32, 48, and 64 oz.	16	10	43	Do.
Macaroni products	0 to 8 oz. packages—1 oz. increments 8 to 16 oz. packages—2 oz. increments 16 to 32 oz. packages—4 oz. increments Over 32 oz. packages—1 lb. increments	32	16	37	Do.
Mayonnaise and salad dressing	(Spoon type) 8, 16, 24, and 32 fluid oz. (Pouring type) 8, 10, 12, 16, and 32 fluid oz.	5	4	20	In effect.
Paper napkins	(1 ply) 40, 60, 80, 100, 140, 160, 180, 200, 250, and 70 and 150 are acceptable for 2 years—number per package; (2 and 3 ply) 40, 50, 60, 75, 100, and 180—number per package	18	13	29	Do.
Paper towels	(1 ply) 85, 100, 120, 140, and 165—square feet per package; (2 ply) 85, 100, 125, 170, and 200—square feet per package.	33	8	28	July 1, 1969.
Peanut butter	6, 8, 12, 16, 18, 24, 28, 32, 40, 48, 64, and 80 ozs.	30	12	76	Do.
Pickles	Whole fluid ounces 2 to 8 oz. packages— $\frac{1}{4}$ oz. increments 8 to 12 oz. packages— $\frac{1}{2}$ oz. increments 12 to 20 oz. packages—1 oz. increments Over 20 oz. packages—4 oz. increments	(1)	(1)	60	In effect.
Potato chips	3, 4, 5, 8, 10, 12, 14, and 20 qt.	(1)	(1)	35	Do.
Powdered milk	0 to 4 oz. packages—no limits 4 to 8 oz. packages— $\frac{1}{2}$ oz. increments 8 to 16 oz. packages—1 oz. increments Over 16 oz. packages—2 oz. increments	(1)	(1)	33	July 1, 1969.
Refrigerated dough products	12, 16, 24, 32, 38, 48, and 128 fluid oz.	15	7	53	Jan. 1, 1969.
Salad and cooking oils	2, 4, 8, 16, 32, and 128 oz.	(1)	6	(1)	
School paste	(Individual units) 6, 6 $\frac{1}{2}$, 7, 8, 10, 12, 16, 24, 26, 28, 30, and 32 fluid oz.; (2 unit cartons) 48, 52, 56, 60, and 64 fluid oz.; (3 unit cartons) 72, 78, 84, 90, and 96 fluid oz.; (4 unit cartons) 64, 96, 104, 112, 120, 128 fluid oz.; (6 unit cartons) 36, 39, 42, 48, 60, 72, and 96 fluid oz.; (8 unit cartons) 48, 52, 56, 64, 80, 96, and 128 fluid oz.; (10 unit cartons) 60, 65, 70, 80, 100, 120, and 160 fluid oz.; (12 unit cartons) 72, 78, 84, 96, 120, 144, and 192 fluid oz.	(1)	(1)	20	In effect.
Syrups	Packaged in quantities divisible by 4 fluid oz.	(1)	(1)	33	Do.
Teabags	(Cup size) 8, 16, 48, 100 to bags per package (maximum of 200 teabags per pound). (Quantity service size) 10, 12, 24 teabags per package (minimum of $\frac{1}{4}$ oz. per teabag)	5	3	40	Do.
Toilet tissue	(1 ply) 500, 650, 850, and 1000 sheets per roll (2 ply) 250, 325, 330, 375, 425, 450, and 500 sheets per roll	5	4	20	July 1, 1969.
Toothpaste (normal density)	Quantity: 1.75 oz. 3.25 oz. 5.00 oz. 6.75 oz. 8.75 oz.	11	7	36	Do.
	Size characterizations: Personal. Medium. Large. Family. Super.	57	5	91	Do.

¹ No survey made. Percentages shown indicate estimates only.

² Exception: 9 $\frac{1}{2}$ oz. is permitted for biscuits, dinner rolls, and sweet rolls. Dough portion separately or total net quantity of package will meet pattern for sweet rolls.

Note: Effective dates represent estimated production dates only. These simplified quantity patterns were developed through both the formal standards making procedures and informal industry-wide agreements. For more information concerning these standards, contact the Office of Weights and Measures, National Bureau of Standards, Washington, D.C.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES, APPROPRIATIONS, 1970

Mr. HOLLAND. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 11612,

the appropriations bill for the Department of Agriculture and related agencies.

The PRESIDING OFFICER. The bill will be stated by title.

The BILL CLERK. A bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

ORDER OF BUSINESS

Mr. HOLLAND. Mr. President, I suggest the absence of a quorum for a period of approximately 5 minutes for the purpose of alerting Senators to the fact that the morning hour has been concluded.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLAND. Mr. President, we now have under consideration H.R. 11612, the annual appropriation bill for the Department of Agriculture and related agencies. Appropriations in the pending bill as recommended by the committee total \$7,636,797,650, an increase of \$830,142,650 over the House bill, an increase of \$669,235,600 over the budget estimates, and \$542,102,000 under the 1969 appropriations, exclusive of the second supplemental appropriation bill for 1969 (H.R. 11400), which is still pending in the conference committee.

Mr. President, the committee report, No. 277, accompanying the bill, provides an explanation by appropriation item of all changes recommended by the committee in relation to the budget estimates, the House bill, and comparisons with the prior year appropriations. In

my statement, therefore, I shall deal only with those program activities of current general interest to most Members of the Senate.

We are completely willing to be questioned on any of the separate items; but in this original statement, I shall deal, as I have said, only with the large items of general interest to the Senate.

FOOD ASSISTANCE PROGRAMS

A year ago the conference committee recommended an acceleration of the regular school lunch and child feeding programs by adding \$45 million for special feeding assistance, to be derived by transfer from section 32. The entire food assistance program carried out by the Department of Agriculture is shown on page 18 of the committee report.

Mr. President, I ask unanimous consent that the table appearing on page 18 of the report be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FOOD ASSISTANCE PROGRAMS 1969, ESTIMATES AND AMOUNTS RECOMMENDED FOR 1970

[In thousands]

	Fiscal year 1969 estimated	1970 revised budget	House bill	Senate committee
A. Child feeding programs:				
1. Cash grants to States:				
(a) School lunch (sec. 4).....	\$162,041	\$168,041	\$168,041	\$168,041
(b) Special assistance (sec. 11).....	10,000	44,800	44,800	44,800
(c) School breakfast.....	3,500	10,000	10,000	10,000
(d) Nonfood assistance.....	750	10,000	10,000	10,000
(e) State administrative.....	750	750	750	750
(f) Nonschool food program.....	5,700	10,000	10,000	10,000
(g) Special milk.....	103,314	119,300	119,300	83,319
(h) Special sec. 32.....	43,941	89,000	89,000	89,000
Total, cash to States.....	330,046	332,591	451,891	415,910
2. Commodities to States:				
School lunch (sec. 6).....	64,325	64,325	64,325	64,325
Sec. 32 ¹	80,500	90,411	90,411	90,411
Sec. 416.....	144,872	146,838	146,838	146,838
Total, commodities.....	289,697	301,574	301,574	301,574
3. Federal operating expenses:				
School lunch.....	2,161	3,100	3,100	3,100
Nonschool feeding.....	500	750	750	750
Special milk.....	681	700	700	681
Total, operating expenses.....	3,342	3,850	4,550	4,531
Total, child feeding.....	623,085	638,015	758,015	722,015
B. Family feeding programs:				
1. Food stamp program.....	279,908	340,000	340,000	750,000
2. Direct distribution to families (regular program):				
(a) Sec. 32 ¹	142,141	225,028	225,028	225,028
(b) Sec. 416.....	116,539	140,000	140,000	140,000
Total, direct distributions to families.....	258,680	365,028	365,028	365,028
3. Nutritional supplement (special packages):				
(a) Special sec. 32—Food stamp areas.....	1,000	11,000	11,000	11,000
(b) Sec. 32 ¹	7,317	22,000	22,000	22,000
(c) Sec. 416.....	500	1,500	1,500	1,500
Total, special packages.....	8,817	34,500	34,500	34,500
Total, family feeding.....	547,405	739,528	739,528	1,149,528
C. Direct distribution to institutions:				
1. Sec. 32 ¹	1,967	3,800	3,800	3,800
2. Sec. 416.....	43,000	29,000	29,000	29,000
3. VA, Armed Forces, penal.....	17,875	21,000	21,000	21,000
Total, direct distributions to institutions.....	62,842	53,800	53,800	53,800
D. Nutrition aide program.....				
	10,000	30,000	30,000	30,000
Total, food assistance program.....	1,243,332	1,461,343	1,581,343	1,955,343

¹ Includes related administrative expense.

Mr. HOLLAND. Mr. President, the table which has just been included in the RECORD shows that for fiscal 1970 the total estimated expenditures as recommended to the Senate by the committee

for food assistance and direct feeding activities will be \$1,955,343,000. This total represents an increase in authorized appropriations and other proposed expenditures, by transfer from section 32 and

donations from the Commodity Credit Corporation, of \$712,011,000 over fiscal 1969. The committee recommendations propose an increase of \$494 million over the budget estimate and an increase of \$374 million over the House bill. This is by far the largest increase in the bill. I am sure that all Senators are aware of the fact that the present concern in our country with reference to the problems of health and malnutrition justify this increase.

The table which has been printed in the RECORD shows that the food assistance program is comprised of four major activities, with comparative amounts shown for fiscal 1969 versus the 1970 estimate, the House bill, and the committee recommendations.

The first activity is the child feeding program, wherein a total of \$722,015,000 is recommended for fiscal 1970 to cover the regular school lunch program, special assistance, nonfood assistance, and the several programs listed in the table under this heading, including commodities donated to the States. Commodity donations are comprised of section 32 purchases for the purpose of section 6, regular section 32 purchase acquisitions which are donated to the States, and section 416 donations of food from the inventory of the CCC.

The second activity, the family feeding program, is comprised of the direct distribution program, and the food stamp program. The committee has recommended \$750 million for fiscal year 1970 for the food stamp program. This is an increase of \$410 million over the budget estimate and the amount carried in the House bill, and \$470 million over the 1969 appropriation. The subcommittee had recommended \$340 million for the food stamp program, the full amount authorized, and the amount requested in the 1970 estimate. When the full committee met, the Senate had just acted upon Senate Joint Resolution 126, which authorized \$750 million for the food stamp program for 1970, and the full committee has recommended this amount in the pending bill.

It will be noted in referring to the table in the RECORD that the total amount available for family feeding programs and the nutritional supplement program, including direct distribution to families, is \$1,149,528,000, compared with \$547,405,000 for fiscal 1969.

Third, there is a program of direct distribution to institutions totaling \$53,800,000, and fourth, there is the nutrition aide program in the amount of \$30 million. This latter program is operated under the general oversight of the Cooperative Extension Service, both in Washington and in the several States. The objective of the nutrition aide program is to employ nontechnical personnel, under the technical guidance of the extension services, to provide nutritional information to low-income families.

This program was initiated in 1969 by transfer of \$10 million from section 32. The expanded program will provide an estimated 3,200-man-year equivalent of employment to 4,300 aides, employed on a part-time basis, to render assistance to an estimated 480,000 low-income families.

SPECIAL MILK PROGRAM

The committee has recommended continuation of the special milk program for fiscal 1970, with a total funding of \$104 million. This is the same amount as provided in 1969 and prior years, and is over the budget estimate by \$104 million, but under the House-passed version of the bill by \$16 million.

The budget estimate and the justification of it by the departmental officials in the committee hearings show that, under the expanded feeding programs for children in various group situations, it is planned to serve milk in the breakfast and lunch programs. Therefore, officials of the Department felt it was unnecessary to continue the special milk program, except for a limited amount of \$20 million. The House-passed bill, however, under a floor amendment, continued the special milk program, and increased the level to \$120 million with financing to be derived by transfer from section 32 funds.

This action in the other body, to transfer such a large additional sum from section 32 in addition to the heavy drafts from section 32 already contained in the estimates, would have reduced the carryover authorized by law for section 32 from \$300 million to \$180 million. That is the amount which would be carried over at the end of fiscal year 1970. This proposed reduction in carryover did not meet with favor in the committee. However, in recognition of the action taken in the other body and the importance of milk to the diets of small children, the committee has recommended the continuation of the special milk program for fiscal 1970.

The \$104 million recommended is comprised of \$84 million by direct appropriation from the general revenue fund and the \$20 million, as planned in the budget, which is to be derived from section 32 funds. The recommended \$20 million from section 32 will provide milk in breakfasts and lunches served to children in nonprofit schools, child day care centers, summer camps, and other similar nonprofit institutions which are devoted to the care and feeding of children.

COMMODITY CREDIT CORPORATION AND AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

The other major increases above the House-passed bill recommended by the committee deal with the appropriations for the Commodity Credit Corporation and for expenses under Public Law 480.

The committee has recommended, the full budget estimate, for restoration of capital impairment of the CCC in the amount of \$5,215,934,000. This is an increase of \$250 million over the House bill and will bring the capital structure of the corporation to a current basis except for the balance of \$250 million of the losses incurred in fiscal 1968. This appropriation recommendation covers the balance of the 1961 inventory reevaluation of \$57,047,170, the completion of reimbursement of 1967 losses in the amount of \$2,210,668,971, and partial reimbursement of 1968 losses in the amount of \$2,948,217,859.

The decision of the Bureau of the Budget to request restoration of these

losses on a more current basis is welcomed by our committee and I hope that the Bureau will continue next year with the program it has initiated in the pending budget—and that next year it will go the entire way by requesting the full amount of unrestored loss which has accrued for fiscal 1969, and the un-restored balance of \$250 million for fiscal 1968.

This is simply a bookkeeping appropriation, it does not add to the expenditures of the corporation—which are made in accordance with basic law and are very unpredictable. By following the practice in this year's estimates again next year this very important item can be brought to a current basis as intended by Public Law 87-155.

I cannot refrain from expressing my great pleasure that the Bureau of the Budget has at last seen the light and is trying to restore the capital impairment of the Commodity Credit Corporation. It has failed consistently to do so through the years. We all had a bitter experience this spring when we realized the Commodity Credit Corporation had not only used up all of its authorized borrowing capacity and was really at the bottom of the barrel, but also that it had to borrow large sums from section 32 funds. The Department submitted a supplemental request for \$1 billion which Congress passed almost unanimously. This amount was necessary if the Commodity Credit Corporation was to be kept in business and the farmers were to be served as was intended by the law.

I am glad that the Bureau of the Budget has at last made this decision. We have been trying to get them to request restoration on a current basis for years; since the only proper thing to do is to follow the law and restore the deficit incurred necessarily under the law by the Commodity Credit Corporation each year.

In connection with the appropriations for Public Law 480, the committee has recommended a total appropriation for title I and title II of \$935 million, an increase of \$35 million over the House version of the bill and \$635 million over the appropriation last year. The amount recommended by the committee is \$51,600,000 under the budget estimate. This reduction, however, will have no impact upon the capability of the Department to carry out authorized programs under Public Law 480 since the appropriations made in this bill are on an estimated basis, but any additional program expenditures for either title I or title II are authorized to be financed from the borrowing authority of the CCC, pending reimbursement in a subsequent appropriation bill.

I want it clearly understood that the committee recommendations in no sense impair the ability of the Department of Agriculture to carry out these programs to whatever extent is necessary and proper under Public Law 480.

AGRICULTURAL CONSERVATION PROGRAM

The committee has recommended an advance authorization of \$185 million for the 1970 agricultural conservation program. This is a reduction of \$10.5 million under the 1969 authorization and

the House bill, and an increase of \$185 million over the estimate, which proposed to discontinue the program for 1970.

This cost-sharing conservation program has made a great contribution to our national resources through the installation of a variety of soil and water conservation measures. Over 1 million farms participate annually in this cost-sharing program. For every Federal dollar spent, at least 1 additional dollar is contributed by participating farmers—thus the program results in the annual expenditure of over \$400 million for soil and water conservation.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HUGHES in the chair). Does the Senator yield?

Mr. HOLLAND. I am delighted to yield to the Senator from North Dakota.

Mr. YOUNG of North Dakota. The payments to farmers under this ASC program or land diversion programs are very small, but this would also figure into the \$20,000 limitation that any one farmer could receive. Is that correct?

Mr. HOLLAND. I believe that is correct.

Mr. YOUNG of North Dakota. What is wrong with the \$20,000 limitation is that when the payments to farmers on soil conservation are limited, in effect the soil conservation fertility is being lessened. Future generations may have difficulty in providing adequate supplies of food.

Mr. HOLLAND. The Senator is correct. The only thing being improved is erosion which is taking place on the farms of our Nation.

Mr. YOUNG of North Dakota. Throughout history a nation that did not take care of its soil soon went down the drain, so to speak.

Mr. HOLLAND. That is the history of the world. Anyone who goes to the area of Mesopotamia is bound to see the evidence of the lack of wisdom by the people who lived there long ago, for no one can now live there since the soil has washed away, there is no vegetation, and no opportunity for the people to make a living from the land.

Mr. YOUNG of North Dakota. That is one example of what is wrong with the \$20,000 limitation.

Mr. President, while the Senator is interrupted, I wish to commend both the Senator from Florida and the Senator from Nebraska for the excellent job they did in marking up the bill. I think the Senators handled the bill very well. Economy was effected where it was possible.

I believe there is now \$2 billion in the bill for food, largely for the cities. Is that correct?

Mr. HOLLAND. The Senator is correct. I have already stated there is over \$1.9 billion. This includes the increase of one program, the food stamp program, from \$340 million to \$750 million.

So, practically \$2 billion is provided for feeding programs and a large percentage of those are the unfortunate inhabitants of the cities.

Mr. YOUNG of North Dakota. In most news stories the impression is left that the total budget for agriculture is for

payments to farmers. This is a good example where farmers do not get the money. The average person believes that farmers are getting the money. In this instance the money is mostly for the people in the cities.

Mr. HOLLAND. The Senator is correct. The funds in the Public Law 480 program constitute funds used in connection with our foreign policy and are not funds to aid our farmers. There are repeated items in here of the same character. For instance, all the food and meat inspection items for meat and poultry, and other products, are for the protection of consumers who eat the food produced by the farmers, if we add up in total all the funds not intended to directly benefit the farmers, as I recall it, the last time I made that addition, more than half of the bill is not for the direct help of agriculture. I am glad that the Senator brought out that point.

Mr. HRUSKA. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I am happy to yield to my distinguished friend, but before I do so, let me express to him—as this is the first chance I have had to do so—my very great appreciation for his untiring work, for his cooperative attitude, and for what I think is his patriotic attitude in his endeavor to serve not just the farmers but the whole country in framing the bill on such a basis that it will serve the whole Nation.

Mr. HRUSKA. The Senator from Florida is most generous.

Mr. President, the Senator from North Dakota just spoke about the press sometimes reporting the agriculture appropriations bill as being a farm subsidy program. A little later this afternoon I expect to discuss this subject in greater detail. But one instance of this—and it is a glaring instance—is that found in *Time* magazine for June 20, page 81, where, after a scholarly discussion of the basis, the elements, and the composition of inflation and inflationary tendencies, the writer undertakes to begin to prescribe some remedies. One of the remedies is:

As an obvious starter, Congress should scrap the farm-subsidy programs, which not only cost taxpayers \$5.7 billion a year, but artificially inflate the prices of cotton, wheat, corn, soybeans, and rice.

Mr. President, at a later time, I shall cite some prices now being paid to farmers for those commodities as compared to what they got 10 or 20 years ago. Of course, in many instances to which the Senator from Florida has already referred, over \$3 billion goes into things other than payments to farmers, including approximately \$2 billion for food to the needy. This writer did not say, "Scrap that antihunger program. Strike that \$2 billion because it is included in the \$5.7 billion," but I thought this would be a good opportunity to add to what my good friend from North Dakota (Mr. Young) said. It just is not true that the bulk of the funding for the agriculture appropriations bill goes to the farmers. Only a small part, less than half, substantially benefits the farmers.

Mr. HOLLAND. I thank the Senator for his comments. He is so right. Sometimes I think these comments are those

of writers who would not know a field of wheat from one of barley or of oats, who undoubtedly are trying to express what they believe to be the truth but have become so misleading that many are misled by their own propaganda.

Anyone who makes even the most casual analysis of a farm bill as it is brought before the Senate must realize that more than half the total amount appropriated is not for the direct benefit of our farming people but, instead, is either part of our foreign policy, a part of our protection of the consuming public, or a part of food for schoolchildren and others who need food, including citizens who are poverty stricken. They would find that they are talking about programs which, under no circumstance, would they want to discontinue. I hope, therefore, that we will be charitable toward such writers because I am sure they are trying to tell the truth as they understand it. The trouble is they are city people. They do not understand anything about our farms. It reminds me of the old story, which I shall not repeat, about the city dweller inquiring if a certain mule had been bred when it was offered to him for purchase. It happens that most city people, unfortunately, have been denied the opportunity to know what goes on in the great open spaces of our country where the people there are employed in feeding and clothing everyone, and to whom they city people must look if they are going to continue to be fed and clothed at the finest rate of living, the highest standards of living, any people have ever known.

Mr. President, in recommending the reduced authorization, for the ACP recognition is given to the necessity to control expenditures and to insist that conservation practice measures of annual and recurring nature be discontinued in order that funds provided shall result in enduring conservation results.

We have suggested a small reduction in the ACP. This is without prejudice at all to that part of the program which is most enduring, most useful, and most contributes to our national wealth and the preservation of our national soil and water resources. We are growing a little tired of those practices which are not enduring and which pay farmers for doing things which good agricultural practice would insist they do for themselves.

Mr. President, I ask unanimous consent that the statement from the committee report on page 28, dealing with directions in this regard, be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Last year the committee report contained the following language in connection with its approval of the 1969 advance ACP authorization:

"In formulating and carrying out the 1969 program, it is expected that program guides and requirements will give first priority to cost-share practices for the establishment of permanent soil and water conservation measures." The hearings did not show any affirmative action on the part of the departmental administrative officials to make certain that the above quoted direction was

carried out in formulation and conduct of the 1969 program.

The committee will expect to have a full showing at the hearings next spring as to how the Department is implementing last year's committee direction in the formulation and administration of the 1970 program in order to reach the objective of limiting governmental cost sharing to enduring type conservation practices and measures under the reduced program authorization.

PAYMENTS LIMITATION

Mr. HOLLAND. Mr. President, the other principal item which I want to deal with in my statement is in regard to the provision in the House-passed bill on limitation of payments under the appropriation item, ASCS, which requires that no part of the funds in the appropriation act for fiscal year 1970 could be used to formulate or conduct any price support program—other than for sugar—under which payments to any producer could in the aggregate exceed \$20,000 on any crop planted in fiscal 1970.

The retention of this provision in the appropriation bill was opposed by the Secretary of Agriculture and by most of the major farm organizations, and others. The Committee believes that the views of the Secretary in the special subcommittee hearing on this subject—printed as part 2 of the committee hearings—clearly set forth the increased program costs for the cotton program that would result under the proposed limitation.

On June 19, 1969, the Comptroller General rendered an opinion to the Secretary of Agriculture on questions that had been raised by the Secretary in his letter to the Comptroller General on June 4, pertaining to the limitation on payments provision in the House-passed version of the agricultural appropriation bill. The GAO opinion to the Secretary states in part that the "snapback" provision is mandatory for cotton and is not discretionary if a limitation on payments is enacted. The opinion also states that there is no authority under which the Secretary could not carry out the "snapback" provision in a manner which would make cotton producers subject to a limitation on payments. The full text of the letter is printed in the hearings and begins on page 64 thereof.

In other words, Mr. President, not only do we have the opinion of the Secretary of Agriculture—and he was flanked by his general counsel, on the one hand, and his chief economist, on the other, both of whom verified his position from time to time during the course of the hearings but in order to make doubly sure, the Secretary invited the General Accounting Office to make a study of his views and of the impact of the proposed limitation of payments as included in the House bill. This was a floor amendment. The reply from the General Accounting Office, after about 2 or 3 weeks of study, shows clearly that the GAO, through its legal staff, agrees completely with the position of the Secretary of Agriculture.

The Secretary also indicated that the limitation would result in other costs and administrative problems. He further stated that the administration plans to submit new farm legislation proposals to

the Congress later this year. The departmental proposals will embody recommendations affecting payments to producers. These legislative recommendations, when received, can then be considered and acted upon by both bodies of the Congress in the regular manner and any changes will apply to crops planted in 1971.

I may say, Mr. President, that, since the present law expires after next year, we simply have to pass new legislation before the spring of next year, at the very latest time, in order to affect plantings of winter wheat for next fall, and likewise for other crops to be planted next fall.

The Secretary makes it very plain in his testimony, if those who are interested care to read it, that he is studying alternate plans and he thinks he can report a program under which there can be some limitations of payments and some reductions of payments, which he, too, regards as excessive under the present law. But he pointed out time and time again that legislation was required; that the mere placing of an arbitrary limit on payments would not change the legislation or would not accomplish anything good or helpful or permanent, and that he insists Congress should wait upon its opportunity to pass upon new farm legislation which he expects to report to us sometimes this fall as his recommendation. Congress can then work its will on anything he recommends.

The committee has, therefore, recommended that the limitation provision adopted by the House floor amendment, and which appears on page 22, lines 15 through 20 of H.R. 11612, be stricken.

Mr. President, at this time I would like to call to the attention of the Senate and insert in the RECORD the testimony of Secretary Hardin which appears on page 24 of the hearings:

POSITION OF USDA ON PAYMENT LIMITATIONS

Secretary HARDIN. Question 10. What position does the Department of Agriculture take on payment limitations?

My position is as stated during the debate in the House. At that time I sent the following message to Members of the House of Representatives:

"The Department of Agriculture believes it is possible to design a sound farm program that limits the number of dollars that can be paid to any one farmer for programs following the 1970 crop year.

"However, to make such a limitation effective, legislative changes are needed. With only the simple amendment that is possible in connection with appropriation bills, the so-called "snap-back" provision for cotton would come into effect. The cotton program would then become subject to a loan-and-redemption or a buy-and-sell-back arrangement that would increase costs while the large producers would escape the intent of the payment limitation.

"A simple amendment to the appropriations bill will not suffice. The Department is ready to work with the legislative committees on basic changes in the legislation and has modifications to suggest.

"The preferred time for considering these changes would be later in this session or early next session, when consideration must

be given to the type of legislation that is to replace present laws. These laws are scheduled to expire after the 1970 crop."

I also ask to insert in the RECORD the table which appears on page 7 of the printed hearings. This table shows the

States and the crops which would be affected by a limitation such as was included in the House bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 4.—PRODUCERS RECEIVING \$20,000 OR MORE FROM SPECIFIED PROGRAMS, 1968

State	All programs	Cotton		Feed grain	Wheat	Wool ¹	Sugar ¹
		Price support	Total				
Alabama.....	279	118	204	2			
Arizona.....	568	442	504	15	1	12	74
Arkansas.....	599	461	558	2	2		1
California.....	972	681	773	8	23	49	328
Colorado.....	195		1	19	50	26	52
Delaware.....	1						
Florida.....	69	3	3	2			59
Georgia.....	255	75	120	12			
Idaho.....	115				51	35	37
Illinois.....	108	2	2	76	1	8	
Indiana.....	95			63	1	2	
Iowa.....	88			76	1	3	
Kansas.....	301			31	69	6	50
Kentucky.....	7	2	2	5			
Louisiana.....	340	189	228	1	2	6	90
Maryland.....	2						
Michigan.....	17			7		1	4
Minnesota.....	32			17	2	2	11
Mississippi.....	1,145	901	1,074	2		9	
Missouri.....	178	37	51	59		3	
Montana.....	131				89	24	3
Nebraska.....	152			74	11	8	14
Nevada.....	16	2	3		2	10	
New Mexico.....	233	45	52	54	14	27	24
New York.....	3			1			1
North Carolina.....	77	28	45	8			
North Dakota.....	66			3	34	1	14
Ohio.....	35			17		4	4
Oklahoma.....	95	16	30	8	21	1	
Oregon.....	72				58	8	4
Pennsylvania.....	8			7			
South Carolina.....	225	91	152	4			
South Dakota.....	42			9	11	9	
Tennessee.....	104	45	63	1			
Texas.....	3,122	824	1,297	282	96	122	183
Utah.....	29				5	22	3
Virginia.....	3			2			
Washington.....	197	1	1	1	157	8	14
Wisconsin.....	15			9			
Wyoming.....	66				1	65	5
Alaska.....	1					1	
Hawaii.....	21						21
Total, United States.....	10,079	3,963	5,163	877	702	472	996

¹ Includes payments to payees receiving \$20,000 or more from all programs and includes some wool (or sugar) payments.

Mr. HOLLAND. Mr. President, just for the purpose of repetition in the RECORD, I want to show from that table how three States would be hurtfully affected.

As to the State of California, our greatest agricultural State, 972 producers would be affected in that they would receive only \$20,000 out of the various programs covered by the limitation amendment in the House bill. As to those programs, 773 are in the field of cotton; eight are in the field of feed grains; 23 are in the field of wheat.

In addition to those, there are two others that are similar but do not happen to be covered by the proposed limitation, and those two are 49 under the wool program and 328 under the sugar program.

Mr. President, once we embark upon such a hurtful, destructive program as that which is embraced in the proposed limitation, we are striking at that great producing State to the tune of 972 of their most effective producers.

Next, if I may, I go to the State of Texas, which is affected to the extent of having 3,122 producers in that great State who would be affected by this lim-

itation, of whom 1,297 are cotton producers, 282 are feed grain producers, and 96 are wheat producers.

In the case of wool and sugar, not included under this program, there are in Texas 122 wool producers and 183 sugar producers who are under the program—making the total of 3,122.

I do not think it is necessary to quote further, but I would like to quote one Southern State, because, coming from that area of the Nation, and since my own State is not largely affected by this program, I want to call attention to the fact that the good and great State of Mississippi is very badly affected by that limitation.

In that State 1,145 farmers would be covered by the House limitation, of whom 1,074 are cotton producers, two are feed grain producers, and nine are producers of wool, which would not be affected by the proposed limitation.

Mr. President, if Senators will just look at that table, they will find how adversely so many of our greatest agricultural States would be affected by the limitation. We will, of course, later discuss the various ways in which they

would be adversely affected; but we should not embark on such a limitation—which the Secretary of Agriculture says will not do the job, without legislative changes, and of which the General Accounting Office says the same thing.

Many have alluded to the possible savings which would accrue if this limitation were adopted. I ask that an excerpt from the Secretary's testimony on this very point be included in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

POSSIBLE SAVINGS TO THE GOVERNMENT

Secretary HARDIN. Question two. Would the limitation on payment result in a saving to the Government?

As I shall shortly show, the limitation on payments would trigger a snap-back provision for cotton that would increase the cost to the Government for the cotton program. We estimate this increased cost at about \$160 million.

There are other reasons to support the conclusion that the limitation on payments would bring about very little savings, if any, and might result in a net increase in cost. First, a considerable proportion of the farms subject to the limitation would undoubtedly be split up or leased out in such a fashion as to escape the limitation. We could prevent some of this but not all by any means. Many such changes are constantly occurring and are entirely legal. We estimate, for example, that perhaps as much as 70 to 85 percent of the potential cotton acreage affected by the \$20,000 limit would be able to maintain its eligibility for full payment.

Mr. HOLLAND. Mr. President, incidentally, that statement shows that, instead of saving money in the cotton program, it would cost \$160 million more than the present cotton program. The fact is—and this is a tragic fact—that instead of continuing to cut down the surplus of cotton, which we have been doing under existing law, it would immediately start to build up, very heavily, surpluses again and would adversely affect a great industry in our Nation, the textile industry, and would put back in our warehouses many thousands of bales of cotton which could not move in export unless we gave them a very heavy subsidy.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HRUSKA. Is it not true that one of the reasons for the present farm bill as we know it was expensive piling up in our warehouses of cotton, wheat, feed grains, and other commodities?

Mr. HOLLAND. The Senator is correct.

Mr. HRUSKA. With the imposition of this ceiling, would it not necessarily revert to that same condition and status?

Mr. HOLLAND. It would immediately begin to build up surpluses again, which we have been trying to eliminate.

I do not want to leave any impression in the RECORD that the Senator from Florida approves of the present law, because it could be greatly improved. The Senator from Nebraska, the Senator from North Dakota, and other Senators know that is not the case and the Senator from Florida did not vote for the existing law. But neither will the Senator from Florida vote for a limitation which is a wrecking limitation that will

destroy any program that we have for next year until we establish another farm program to take its place.

Much destruction has been visited upon our agricultural community. Hundreds of thousands of farmers have found it impossible to operate and have now moved to our cities. There is too much loss already in the field of agricultural production, even under the existing situation, for us to adopt programs which will destroy it more, instead of helping.

Mr. President, as I stated earlier, the Secretary of Agriculture and the general counsel of the Department concur in the opinion that the inclusion of a limitation would automatically trigger the "snap-back" provision into operation. However, in order to be positive of their position, the Secretary requested the General Accounting Office to review this and several other questions connected with this limitation. I ask that the Secretary's letter to the GAO and the reply which he received be inserted in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

[Letter to Comptroller General on House Amendment]

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, June 4, 1969.

Hon. ELMER B. STAATS,
Comptroller General of the United States,
General Accounting Office, Washington,
D.C.

Dear Mr. STAATS: Your opinion is requested on a number of questions which have arisen in connection with the \$20,000 payment limitation in H.R. 11612 making appropriations for the Department of Agriculture Appropriation and Related Agencies for the Fiscal Year ending June 30, 1970.

The limitation in question provides:

"Provided further, That no part of the funds appropriated by this Act shall be used to formulate or carry out any price support program (other than for sugar) under which payments aggregating more than \$20,000 under all such programs are made to any producer on any crops planted in the fiscal year 1970."

The questions on which we would like your opinion are:

Question (1) Would the enactment of the \$20,000 payment limitation in the Agriculture appropriation bill automatically bring into effect the snapback provision (section 103(d)(12) of the Agricultural Act of 1949, as amended)?

Question (2) Could the snapback provision be carried out in a manner which will still make cotton producers subject to the payment limitation?

Question (3) Would the payment limitation expire on June 30, 1970, or would it continue to apply after June 30, 1970, to crops planted during the fiscal year 1970?

Question (4) Could the payment limitation be avoided by paying administrative expenses and making program payments out of Commodity Credit Corporation funds which are on hand or are received from the redemption or sale of commodities?

The opinion of the General Counsel of this Department on these questions is as stated below.

Question (1) Would the enactment of the \$20,000 payment limitation in the Agriculture appropriation bill automatically bring into effect the snapback provision?

Conclusion. The snapback provision is mandatory and would automatically go into effect.

The so-called "snapback" provision, paragraph (12) of section 103(d) of the Agricultural Act of 1949, as amended, reads as follows:

"(12) Notwithstanding any other provision of this Act, if, as a result of limitations hereafter enacted with respect to price support under this subsection, the Secretary is unable to make available to all cooperators the full amount of price support to which they would otherwise be entitled under paragraphs (2) and (3) of this subsection for any crop of upland cotton, (A) price support to cooperators shall be made available for such crop (if marketing quotas have not been disapproved) through loans or purchases at such level not less than 65 per centum nor more than 90 per centum of the parity price therefor as the Secretary determines appropriate; (B) in order to keep upland cotton to the maximum extent practicable in the normal channels of trade, such price support may be carried out through the simultaneous purchase of cotton at the support price therefor and resale at a lower price or through loans under which the cotton would be redeemable by payment of a price therefor lower than the amount of the loan thereon; and (C) such resale or redemption price shall be such as the Secretary determines will provide orderly marketing of cotton during the harvest season and will retain an adequate share of the world market for cotton produced in the United States."

Paragraphs (2) and (3) of section 103(d), as amended, provide for price support to cooperators on upland cotton of the 1966 through 1970 crops through loans and additional price support payments. It is provided in paragraph (3) that the sum of the average loan rate and the adjusted payment rate shall not be less than 65 per centum of the parity price for upland cotton as of the month in which the payment rate is announced. The effect of this provision is to assure cooperators (i.e., producers who comply with their acreage allotments a return of at least 65 per centum of parity on the projected yield of their crop.

The snapback provision is mandatory and not discretionary with the Secretary. It provides that price support shall be made available to cooperators through loans or purchases at a level not less than 65 per centum of parity if, as a result of limitations subsequently enacted, the Secretary is unable to make available to all cooperators the full amount of price support to which they would otherwise be entitled under the Agricultural Act of 1949. It is apparent that the "snapback" provision was designed as a safeguard against limitations on price support payments since price support under the provision is to be made available through loans and purchases. The clear purpose of the "snapback" provision, therefore, was to assure cotton producers that they would not be deprived of a total return from their cotton crop of at least 65 per centum of parity if limitations on price support payments were later enacted.

In addition to the plain language of the "snapback" provision, the legislative history of the provision makes this purpose clear beyond doubt. The provision was included in House Bill 9811 as introduced by Congressman Cooley, the Chairman of the House Agriculture Committee. The report on the bill by the House Committee on Agriculture stated:

"Subsection (d) (12) of section 103 would provide that in case of limitations later enacted with respect to price support under subsection (d) which prevent the Secretary from making available to all cooperators the full amount of price support to which they would otherwise be entitled under subsection (d) (2) and (3) for any crop, price support to cooperators shall be made available for such crop through loans or purchases at such level not less than 65 nor more than 90 per-

cent of the parity price therefor as the Secretary determines appropriate."

The Minority Report on the bill agreed, stating (page 112) that this paragraph: "provides that if limitations on payments to producers are later adopted, a modified form of price support loans from 65 to 90 percent of parity would automatically 'snap back' into operation."

Similarly, it was stated (134) in the Additional Minority Views by Mr. Dague, Mr. Latta, Mr. Findley, and Mr. Burton:

"Another provision in the cotton title of this bill which is most objectionable is the so-called snapback clause as proposed in a new subparagraph d(12) of section 103 of the Agricultural Act of 1949. This snapback clause says that if any limitations on cotton payments are hereafter enacted by Congress, the old price support program with loans at 65 to 90 percent of parity will automatically go back into effect with the authority for the Secretary to sell surplus cotton at prices well below the loan level."

During the discussion of the bill in the House, Representative Dague stated that paragraph (12): "provides that if limitations on payments to producers are later adopted, a modified form of price support loans from 65 to 90 percent of parity would automatically 'snap back' into operation." 111 Cong. Rec. 20710.

Representatives Michel and Cooley in discussing this provision stated:

"Mr. MICHEL. * * *

"Can the chairman tell me why it was necessary on page 21 of the bill, beginning on line 19, to write in that paragraph No. (12) beginning, 'Notwithstanding any other provision of this Act, if, as a result of limitations hereafter enacted'—"

* * * * *

"Mr. COOLEY. I think the language is perfectly clear. Should we impose a limitation—"

"Mr. MICHEL. As has been done in times past."

"Mr. COOLEY. Yes; then we go back to a price support program, to loans rather than direct compensatory payments." 111 Cong. Rec. 20742.

Later, Representative Michel introduced an amendment to delete the snapback provision, stating:

"Mr. Chairman and Members of this Committee, this amendment would strike the provisions of the bill that have come to be known as the snapback clause. As can be seen from a reading of the language of the bill, any future allotments either in size of payments to individual producers or in total expenditures of the Department of Agriculture on the cotton program would automatically trigger this provision into operation." 111 Cong. Rec. 21026.

The amendment was defeated.

During the debate in the Senate, Senator Talmadge and other senators introduced an amendment which, among other things, added the snapback provision to the Senate bill, and Senator Talmadge inserted in the Congressional Record an explanation of the amendment. It was stated in this explanation:

"If for any year during the 4-year period the Secretary is unable to make payments as planned, he would be authorized to alter the program and carry out price support provisions through loans or by purchase and resale." 111 Cong. Rec. 23056.

Accordingly, on the basis of the language of the "snapback" provision and its legislative history, it is clear that the provision would go into effect automatically in the event payment limitations were enacted.

Question (2) could the "snapback" provision be carried out in a manner which will still make cotton producers subject to the payment limitations?

Conclusion. No. The "snapback" provision must be carried out in a manner which will

make available to all cooperators loans or purchases at not less than 65 per centum of parity on all cotton produced on their 1970 acreage allotments.

The "snapback" provision states that "[n]otwithstanding any other provision" of the Act "if, as a result of limitations hereafter enacted" the Secretary is unable to make available to all cooperators the full amount of price support to which they would otherwise be entitled "(A) price support to cooperators shall be made available for such crops (if marketing quotas have not been disapproved) through loans or purchases" at not less than the 65 per centum of parity (emphasis supplied). Clause (B) provides that in order to keep upland cotton to the maximum extent practicable in the normal channels of trade, price support under the "snapback" provision "may be carried out through the simultaneous purchase of cotton at the support price therefor and resale at a lower price or through loans under which the cotton would be redeemable by payment of a price therefor lower than the amount of the loan thereon." (emphasis supplied) Since one method of providing the price support required by the snapback provision is through a simultaneous purchase of cotton at the support price and resale at a lower price and since a simultaneous purchase and resale may be construed as a payment, the question has been raised whether the Secretary could, in his discretion, carry out the program exclusively through a simultaneous purchase of cotton from producers at the support price and a resale to them at a lower price and thereby make the payment limitation applicable.

Even assuming that a simultaneous purchase and resale with producers is constructed to be a payment which is subject to the limitation, to restrict the method of providing price support to one to which the payment limitation would be applicable would violate the mandatory direction in Clause (A) to make price support available to cooperators at the required level and defeat the very purpose of the "snapback" provision which is to assure cooperators that if a payment limitation was enacted they would continue to receive through loans or purchases price support at not less than 65 per centum of parity on their cotton crops.

It may be noted that the simultaneous purchase and resale need not be made with producers but may, for example, be carried out through dealers who have paid the support price to producers.

Accordingly, in the absence of legislation repealing the "snapback" provision the Department would be obligated to provide all cooperators with price support through loans or purchases on the production of their acreage allotments for the 1970 crop of cotton. It is noted in this connection that an amendment to the appropriation act was offered which would have repealed the "snapback" provision. A point of order against the amendment was sustained, however, on the ground that it constituted legislation in an appropriation bill. 115 Cong. Rec. H 4169 (daily ed. May 27, 1969).

Question (3) Would the payment limitation expire on June 30, 1970, or would it continue to apply after June 30, 1970, to crops planted during the fiscal year 1970?

Conclusion. The payment limitation will continue to apply after June 30, 1970, to the entire production of the crops planted during the fiscal year 1970 for which programs have been approved by the Secretary on or before June 30, 1970.

A similar question arose in connection with the \$50,000 limitation on price support which was included in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1960, 73 Stat. 167, 178. The \$50,000 limitation also applied to the use of funds "to formulate or carry out" the price support program for 1960. The Comptroller

General in decision B-142011 (contained in his letter to the Secretary of Agriculture dated April 8, 1960) held that such limitation applied to all of the 1960 production of any commodity for which the 1960 program was approved on or before June 30, 1960, notwithstanding that the regulations implementing such program authorizations were not completed and published until after June 30, and notwithstanding that the actual loans and purchases were not made until after June 30.

Question (4) Could the payment limitation be avoided by paying administrative expenses and making program payments out of Commodity Credit Corporation funds which are on hand or are received from the repayment of loans or the sale of commodities?

Conclusion. No.

The contention has been made that the limitation could be avoided by using funds of the Commodity Credit Corporation which are on hand or those funds which are received from the repayment of loans or the sale of commodities for payment of administrative expenses and for payment of the amounts in excess of the limitation.

See pages H-4118 and H-4171 of the Congressional Record for May 26 and 27, 1969. See, also, the statement on page 64 of the House Report No. 91-265 accompanying the Appropriation Bill:

"If necessary to perform the functions, duties, obligations or commitments of the Commodity Credit Corporation, administrative and operating personnel shall be paid from funds on hand or from those funds received from the redemption or sale of commodities. Such funds shall also be available to make program payments, commodity loans, or other obligations of the Corporation."

Section 104 of the Government Corporation Control Act provides that:

"The budget programs transmitted by the President to the Congress shall be considered and legislation shall be enacted making necessary appropriations, as may be authorized by law, making available for expenditures for operating and administrative expenses such corporate funds or other financial resources or limiting the use thereof as the Congress may determine. . . ." (Emphasis supplied.)

Pursuant to this provision, the Appropriation Bill authorizes the Corporation to make such expenditures within the limits of funds and borrowing authority available to it as may be necessary in carrying out the programs set forth in its budget for the fiscal year 1970, appropriates \$4,965,394,000 to reimburse the Corporation for net realized losses sustained in prior years, and makes not to exceed \$31,500,000 available from its capital funds for administrative expenses of the Corporation. The limitation, which is applicable by its terms to "funds appropriated by this Act", was, in our opinion, intended to apply to all funds made available by the Act, including corporate funds which the Act authorizes the Corporation to expend in formulating and carrying out the programs set forth in its budget for the fiscal year 1970.

Moreover, even assuming that the limitation were construed as not applying to corporate funds which are on hand or those funds which are received from the repayment of loans or the sale of commodities, the appropriation bill also contains specific appropriations, which are subject to the limitation, for the salaries and expenses of the Secretary of Agriculture who is charged by law with the responsibility for formulating and carrying out the price support program and for other officers and employees of the Department whose services are utilized in formulating and carrying out the program. The Comptroller General has ruled that a specific appropriation for a particular object precludes the use of a more general appropriation therefor, even though the general appropriation might have been available for such use in the absence of the specific ap-

propriation. 17 Comp. Gen. 23; *id.* 91; *id.* 974; 18 Comp. Gen. 1013; 20 Comp. Gen. 739; 36 Comp. Gen. 526; 38 Comp. Gen. 758; 40 Comp. Gen. 404. The Comptroller General has also ruled that where either of two appropriations reasonably could be construed as available for a certain class of expenditures and one of the appropriations which is based upon estimates of such class of expenditures has been used for such expenditures for a number of years, the continued use of such appropriation to the exclusion of any other for such purpose is required, in the absence of changes in the appropriation acts 10 Comp. Gen. 440; 23 Comp. Gen. 827.

In addition to being contrary to the rules established in the foregoing decisions by the Comptroller General, an attempt to avoid the payment limitation by paying the salaries and expenses of officials and employees of the Department who would be engaged in formulating and carrying out the price support program from funds other than those specifically appropriated for such purpose would be in clear violation of the intent of Congress in adopting the payment limitation.

For the foregoing reasons, it is our view that it would not be possible to avoid the limitation by using funds of Commodity Credit Corporation which are on hand or which are received by the Corporation from the repayment of loans or the sale of commodities.

Sincerely,

CLIFFORD M. HARDIN,
Secretary of Agriculture.

[Opinion of GAO Addressed to the Secretary of Agriculture]

COMPTROLLER GENERAL OF THE
UNITED STATES,

Washington, D.C., June 19, 1969.

HON. SPESSARD L. HOLLAND,
Chairman, Subcommittee, Department of
Agriculture and Related Agencies, Com-
mittee on Appropriations, U.S. Senate.

DEAR MR. CHAIRMAN: Enclosed for your information is a copy of our letter of today to the Secretary of Agriculture which is self-explanatory. The letter concerns certain questions which have arisen in connection with the \$20,000 payment limitation in H.R. 11612, as passed by the House of Representatives.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

COMPTROLLER GENERAL OF THE
UNITED STATES,

Washington, D.C., June 19, 1969.

The Honorable the SECRETARY OF AGRICULTURE.

DEAR MR. SECRETARY: Your letter of June 4, 1969, presents for our consideration four questions which have arisen in connection with the \$20,000 payment limitation in H.R. 11612 (as passed by the House of Representatives) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970.

The limitation in question which was a House floor amendment to H.R. 11612 provides: "Provided further, That no part of the funds appropriated by this Act shall be used to formulate or carry out any price support program (other than for sugar) under which payments aggregating more than \$20,000 under all such programs are made to any producer on any crops planted in the fiscal year 1970."

The answers herein are based on the provisions of H.R. 11612 and its legislative history as of the date of this letter.

Your first question reads as follows:

"Would the enactment of the \$20,000 payment limitation in the agriculture appropriation bill automatically bring into effect the snapback provision (section 103(d) (12) of the Agricultural Act of 1949, as amended)?"

You express the view that the snapback provision is mandatory and would automatically go into effect.

The so-called "snapback" provision, paragraph (12) of section 103(d) of the Agricultural Act of 1949, as amended, 7 U.S.C. 1444 (d) (12) reads as follows:

"Notwithstanding any other provision of this Act, if, as a result of limitations hereafter enacted with respect to price support under this subsection, the Secretary is unable to make available to all cooperators the full amount of price support to which they would otherwise be entitled under paragraphs (2) and (3) of this subsection for any crop of upland cotton, (A) price support to cooperators shall be made available for such crop (if marketing quotas have not been disapproved) through loans or purchases at such level not less than 65 per centum nor more than 90 per centum of the parity price therefor as the Secretary determines appropriate: (B) in order to keep upland cotton to the maximum extent practicable in the normal channels of trade, such price support may be carried out through the simultaneous purchase of cotton at the support price therefor and resale at a lower price or through loans under which the cotton would be redeemable by payment of a price therefor lower than the amount of the loan thereon; and (C) such resale or redemption price shall be such as the Secretary determines will provide orderly marketing of cotton during the harvest season and will retain an adequate share of the world market for cotton produced in the United States." [Emphasis added.]

Paragraphs (2) and (3) of section 103(d), as amended, provide for price support to cooperators on upland cotton of the 1966 through 1970 crops through loans and additional price support payments. It is provided in paragraph (3) that the sum of the average loan rate and the adjusted payment rate shall not be less than 65 per centum of the parity price for upland cotton as of the month in which the payment rate is announced. As indicated in your letter the effect of this provision is to assure cooperators (i.e., producers who comply with their acreage allotments) a return of at least 65 per centum of parity on the projected yield of their crop.

We agree that the "snapback" provision is mandatory and not discretionary with the Secretary. It provides that price support shall be made available to cooperators through loans or purchases at a level not less than 65 per centum of parity if, as a result of limitations subsequently enacted, the Secretary is unable to make available to all cooperators the full amount of price support to which they would otherwise be entitled under the Agricultural Act of 1949. As you indicate it appears from its language that the "snapback" provision was designed as a safeguard against limitations on price support payments, since price support under the provision is to be made available through loans and purchases, as distinguished from additional direct compensation payments. Thus, the clear purpose of the "snapback" provision was to assure cotton producers that they would not be deprived of a total return from their cotton crop of at least 65 per centum of parity if limitations on price support payments were later enacted.

As indicated in your letter, in addition to the plain language of the "snapback" provision, the legislative history of the provision makes this purpose clear beyond doubt. The provision was included in H.R. 9811 as introduced by Congressman Cooley, the Chairman of the House Agriculture Committee. The report on the bill by the House Committee on Agriculture stated (House Report No. 631, 80th Congress, 1st Session, page 40): "Subsection (d) (12) of section 103 would provide that in case of limitations later enacted with respect to price support under subsection (d) which prevent the Secretary from mak-

ing available to all cooperators the full amount of price support to which they would otherwise be entitled under subsection (d) (2) and (3) for any crop, price support to cooperators shall be made available for such crop through loans or purchases at such level not less than 65 nor more than 90 per cent of the parity price therefor as the Secretary determines appropriate. * * *

The Minority Report on the bill agreed, stating (page 112) that this paragraph: " * * * provides that if limitations on payments to producers are later adopted, a modified form of price support loans from 65 to 90 percent of parity would automatically 'snap back' into operation."

Similarly, it was stated (134) in the Additional Minority Views by Mr. Dague, Mr. Latta, Mr. Findley, and Mr. Burton: "Another provision in the cotton title of this bill which is most objectionable is the so-called snapback clause as proposed in a new subparagraph d(12) of section 103 of the Agricultural Act of 1949. This snapback clause says that if any limitations on cotton payments are hereafter enacted by Congress, the old price support program with loans at 65 to 90 percent parity will automatically go back into effect with the authority for the Secretary to sell surplus cotton at prices well below the loan level." (Emphasis added.)

During the discussion of the bill in the House, Mr. Dague stated that paragraph (12): " * * * provides that if limitations on payments to producers are later adopted, a modified form of price support loans from 65 to 90 percent of parity would automatically 'snap back' into operation." 111 Cong. Rec. 20710.

Also, in discussing this provision it was stated:

"MR. MICHEL. * * *

"Can the chairman tell me why it was necessary on page 21 of the bill, beginning on line 19, to write in that paragraph No. (12) beginning, 'Notwithstanding any other provision of this Act, if, as a result of limitations hereafter enacted'—

* * *

"MR. COOLEY. I think the language is perfectly clear. Should we impose a limitation * * *

"MR. MICHEL. As has been done in time past.

"MR. COOLEY. Yes; then we go back to a price support program, to loans rather than direct compensatory payments." 111 Cong. Rec. 20742. [Emphasis added.]

Later, Mr. Michel introduced an amendment to delete the snapback provision, stating:

"Mr. Chairman and Members of this Committee, this amendment would strike the provisions of the bill that have come to be known as the snapback clause. As can be seen from a reading of the language of the bill, any future allotments either in size of payments to individual producers or in total expenditures of the Department of Agriculture on the cotton program would automatically trigger this provision into operation." 111 Cong. Rec. 21026.

The amendment was defeated.

During the debate in the Senate, Senator Talmadge and other Senators introduced an amendment which, among other things, added the snapback provision to the Senate bill, and Senate Talmadge inserted in the Congressional Record an explanation of the amendment. It was stated in this explanation:

"If for any year during the 4-year period the Secretary is unable to make payments as planned, he would be authorized to alter the program and carry out price support provisions through loans or by purchase and resale." 111 Cong. Rec. 23056. [Emphasis added.]

Accordingly, we agree with your conclusion that on the basis of the language of the "snapback" provision and its legislative history, it is clear that the provision would go

into effect automatically in the event payment limitations were enacted. Therefore, your first question is answered in the affirmative.

Question No. 2 reads:

"Could the snapback provision be carried out in a manner which will still make cotton producers subject to the payment limitation?"

You express the view that the "snapback" provision must be carried out in a manner which will make available to all cooperators loans or purchases at not less than 65 per centum of parity on all cotton produced on their 1970 acreage allotments.

The "snapback" provision provides that "Notwithstanding any other provision" of the Act "If, as a result of limitations hereafter enacted" the Secretary is unable to make available to all cooperators the full amount of price support to which they would otherwise be entitled "(A) price support to co-operators shall be made available for such crop (If marketing quotas have not been disapproved) through loans or purchases" at not less than 65 per centum of parity [emphasis supplied]. Clause (B) provides that in order to keep upland cotton to the maximum extent practicable in the normal channels of trade, price support under the "snapback" provision "may be carried out through the simultaneous purchase of cotton at the support price therefor and resale at a lower price or through loans under which the cotton would be redeemable by payment of a price therefor lower than the amount of the loan thereon." [Emphasis supplied.]

You state that since one method of providing the price support required by the snapback provision is through a simultaneous purchase of cotton at the support price and resale at a lower price and since a simultaneous purchase and resale may be construed as a payment, the question has been raised whether the Secretary could, in his discretion, carry out the program exclusively through a simultaneous purchase of cotton from producers at the support price and a resale to them at a lower price and thereby make the payment limitation applicable.

It is your view that even assuming that a simultaneous purchase and resale with producers is construed to be a payment which is subject to the limitation, to restrict the method of providing price support to one to which the payment limitation would be applicable would violate the mandatory direction in Clause (A) to make price support available to cooperators at the required level and defeat the very purpose of the "snapback" provision which is to assure co-operators that if a payment limitation was enacted they would continue to receive through loans or purchases price support at not less than 65 per centum of parity on their cotton crops.

You note that the simultaneous purchase and resale need not be made with producers but may, for example, be carried out through dealers who have paid the support price to producers.

The legislative history of H.R. 11612 discloses that one of the proponents of the appropriation limitation agreed, in effect, that the limitation would not apply if the Secretary did "not go by the simultaneous purchase and sale route." Also, as pointed out in your letter an amendment to H.R. 11612 was offered which would have repealed the "snapback" provision but a point of order against the amendment was sustained, 115 Cong. Rec. H4169 (Temp. Ed. May 27, 1969).

We agree that in view of the mandatory language used in the "snapback" provision and the purpose of such provision, that the provision must be carried out in a manner that will make available to all cooperators, price support through loans or purchases at not less than 65 per centum of parity on all cotton produced on their 1970 acreage allotments. Accordingly, your second question is answered in the negative.

Your third question reads:

"Would the payment limitation expire on June 30, 1970, or would it continue to apply after June 30, 1970, to crops planted during the fiscal year 1970?"

It is your opinion that the payment limitation will continue to apply after June 30, 1970, to the entire production of the crops planted during the fiscal year 1970 for which programs have been approved by the Secretary on or before June 30, 1970.

You point out that a similar question arose in connection with the \$50,000 limitation on price support which was included in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1960, 73 Stat. 167, 178. The \$50,000 limitation also applied to the use of funds "to formulate or carry out" the price support program for 1960. You note that in our decision of April 8, 1960, B-142011, to the then Secretary of Agriculture we held that such limitation applied to all of the 1960 production of any commodity for which the 1960 program was approved on or before June 30, 1960, notwithstanding that the regulations implementing such program authorizations were not completed and published until after June 30, and notwithstanding that the actual loans and purchases were not made until after June 30. We also held in the same decision that the \$50,000 limitation would not apply to any new program authorization which was prepared and approved after June 30, 1960, *Cf.* 39 Comp. Gen. 665.

The rationale of our decision of April 8, 1960, would be equally for application in the instant case. In other words the limitation in H.R. 11612—if enacted into law—would apply to all crops planted in fiscal year 1970 (to which the limitation is otherwise applicable) for which programs have been approved by the Secretary on or before June 30, 1970 (i.e., in fiscal year 1970), even though the regulations implementing such program authorizations may not be completed and published until after June 30, and notwithstanding that the actual loans, payments, or purchases are not made until after June 30.

The third question is answered accordingly.

Question No. 4 reads as follows:

"Could the payment limitation be avoided by paying administrative expenses and making program payments out of Commodity Credit Corporation funds which are on hand or are received from the repayment of loans or the sale of commodities?"

Although you express a contrary view, you state that the contention has been made that the limitation could be avoided by using funds of the Commodity Credit Corporation (CCC) which are on hand or those funds which are received from the repayment of loans or the sale of commodities for payment of administrative expenses and for payment of the amounts in excess of the limitation. In this connection you refer to pages H4118 and H4171 of the Congressional Record for May 26 and 27, 1969; and call our attention to the following statement on page 64 of the House Report No. 91-265 accompanying the appropriation bill:

"If necessary to perform the functions, duties, obligations or commitments of the Commodity Credit Corporation, administrative and operating personnel shall be paid from funds on hand or from those funds received from the redemption or sale of commodities. Such funds shall also be available to make program payments, commodity loans, or other obligations of the Corporation."

You refer to the following portion of section 104 of the Government Corporation Control Act, as amended, 31 U.S.C. 849:

"The budget programs transmitted by the President to the Congress shall be considered and legislation shall be enacted making necessary appropriations, as may be authorized

by law, making available for expenditure for operating and administrative expenses such corporate funds or other financial resources or limiting the use thereof as the Congress may determine."

You state that pursuant to this provision, the appropriation bill authorizes CCC to make such expenditures within the limits of funds and borrowing authority available to it as may be necessary in carrying out the programs set forth in its budget for the fiscal year 1970, appropriates \$4,965,394,000 to reimburse the corporation for net realized losses sustained in prior years, and makes not to exceed \$31,500,000 available from its capital funds, for administrative expenses of the corporation. The limitation, which is applicable by its terms to "funds appropriated by this Act," was, in your opinion, intended to apply to all funds made available by the Act, including corporate funds which the Act authorizes CCC to expend in formulating and carrying out the programs set forth in its budget for the fiscal year 1970.

Also, you state that even assuming that the limitation were construed as not applying to corporate funds which are on hand or those funds which are received from the repayment of loans or the sale of commodities, the appropriation bill also contains specific appropriations, which are subject to the limitation, for the salaries and expenses of the Secretary of Agriculture who is charged by law with the responsibility for formulating and carrying out the price support program and for other officers and employees of the Department whose services are utilized in formulating and carrying out the program. You state that the Comptroller General has ruled that a specific appropriation for a particular object precludes the use of a more general appropriation therefor, even though the general appropriation might have been available; and you cite 17 Comp. Gen. 23; *id.* 91; *id.* 974; 18 Comp. Gen. 1013; 20 Comp. Gen. 739; 36 Comp. Gen. 526; 38 Comp. Gen. 758; 40 Comp. Gen. 404. You further state that the Comptroller General has also ruled that where either of two appropriations reasonably could be construed as available for a certain class of expenditures and one of the appropriations which is based upon estimates of such class of expenditures has been used for such expenditures for a number of years, the continued use of such appropriation to the exclusion of any other for such purpose is required, in the absence of changes in the appropriations acts; and you cite 10 Comp. Gen. 440; 23 Comp. Gen. 827.

In addition to being contrary to the rules established in the foregoing decisions by the Comptroller General, it is your opinion that an attempt to avoid the payment limitation by paying the salaries and expenses of officials and employees of the Department who would be engaged in formulating and carrying out the price support program from funds other than those specifically appropriated for such purpose would be in clear violation of the intent of Congress in adopting the payment limitation.

For the above reasons, it is your view that it would not be possible to avoid the limitation by using funds of the Commodity Credit Corporation which are on hand or which are received by the corporation from the repayment of loans or the sale of commodities.

In addition to the portion of section 104 of the Government Corporation Control Act quoted in your letter, that section further provides as follows: " * * * and providing for repayment of capital funds and the payment of dividends. The provisions of this section shall not be construed as preventing Government corporations from carrying out and financing their activities as authorized by existing law, nor as affecting the provisions of section 831y of Title 16. The provisions of this section shall not be construed as affecting the existing authority of any Govern-

ment corporation to make contracts or other commitments without reference to fiscal year limitations." [Emphasis added.]

It is clear from the last-quoted provisions of law that section 104 is not intended to prevent a Government corporation from carrying out and financing its activities as authorized by law. In this regard in connection with a somewhat similar limitation in the Department of Agriculture and Related Agencies Appropriation Act, 1967, 80 Stat. 702, your Department by letter dated April 28, 1967, advised us as follows (see also B-146820, June 2, 1967):

"We assume your inquiry relates to administrative expenses. Most of the costs incurred in the fiscal year ending June 30, 1967, for formulating and administering this sale have been or will be paid, within the limitation on administrative expenses of \$34,300,000 contained in the Appropriation Act, from funds of the Commodity Credit Corporation. Such funds are obtained from borrowings by Commodity Credit Corporation under section 4 of the Act of March 8, 1938, as amended (15 U.S.C. 713a-4) and not from appropriations provided in the 1967 Appropriations Act." [Emphasis added.]

Assuming that the \$20,000 limitation involved here may apply to the \$4,965,394,000 appropriated to reimburse the Commodity Credit Corporation for net losses sustained in prior years, it would not be applicable to corporate funds on hand or those which are received from the repayment of loans or the sale of commodities since such funds would not be "appropriated by this Act" (H.R. 11612). Insofar as the \$31,500,000 made available in H.R. 11612 for administrative expenses is concerned, that is not an appropriation but rather a limitation on the amount that may be expended by CCC for administrative expenses in fiscal year 1970. Accordingly, except for any part of the \$31,500,000 which, pursuant to the authority in H.R. 11612, may be transferred and merged with the appropriation made to the Agricultural Stabilization and Conservation Services, the \$20,000 limitation would not apply to the funds available to CCC to pay administrative expenses in fiscal year 1970.

However, as indicated in your letter, the Secretary of Agriculture is charged by law with the responsibility for formulating and carrying out the price support program (7 U.S.C. 1441) and CCC is subject to the general supervision and direction of the Secretary (15 U.S.C. 714). Thus, in formulating and carrying out the price support program the Secretary, insofar as his part is concerned, would not be performing any functions, duties or obligations of CCC, but rather his own functions, duties and obligations. Of course the specific appropriations contained in H.R. 11612 for the salary and expenses of the Secretary, as well as for the salary and expenses of the other officers and employees of the Department whose services are utilized in formulating and carrying out the price support program would be subject to the limitation.

As we understand it, over the year CCC's funds have never been used to pay the salary of the Secretary or the salaries of certain officers and employees (for example personnel of the Office of General Counsel) of the Department whose services are utilized in formulating and carrying out price support programs, but instead funds for the salaries and expenses of such personnel are budgeted for and requested in specific appropriations. While H.R. 11612 authorizes a limited amount of CCC funds to be transferred and merged with the appropriation made to the Agricultural Stabilization and Conservation Service for administrative expenses of the Service including expenses to formulate and carry out laws

pertaining to CCC, as noted above, if this is done the transferred funds become subject to the limitation. Thus, while some employees of the Department of Agriculture involved in formulating and carrying out price support programs have been paid from CCC moneys transferred from the CCC fund to a department appropriation, apparently it has been the practice of the Department over the years to request in specific appropriations funds to pay the salaries and expenses of the Secretary and certain other officers and employees involved in formulating and carrying out such programs.

As indicated in your letter, we have long held that a specific appropriation for a particular object precludes the use of a more general appropriation therefor, even though the general appropriation might have been available for such use in the absence of the specific appropriation. We have also long held that where either of two appropriations reasonably could be construed as available for a certain class of expenditures and one of the appropriations which is based upon estimates of such class of expenditures has been used for such expenditures for a number of years, the continued use of such appropriation to the exclusion of any other for such purpose is required, in the absence of changes in the appropriation acts.

We see no significant distinction between using an otherwise available general appropriation for a particular object, when there is a specific appropriation for such object, and using corporate funds for a purpose for which a specific appropriation has been made, in order to avoid a limitation pertaining to the specific appropriation. Thus, we agree that avoiding the limitation involved here by paying the salaries and expenses of officials and employees of your Department who would be engaged in formulating and carrying out the price support program from funds other than those specifically appropriated for such purpose would, in effect, be contrary to the rules established in our above-cited decisions. In any event your Department would have no authority to use CCC funds to pay the salary and expenses of the Secretary of Agriculture incident to the functions imposed on him by law, since, as indicated above, the duties and responsibilities of the Secretary are separate and apart from those of CCC.

In light of the foregoing it is our view that CCC funds which are on hand or are received by CCC from the repayment of loans or the sale of commodities may not be used—in order to avoid the appropriation limitation—to pay the salaries and expenses of those employees of your Department who would be engaged in formulating and carrying out the price support program and whose salaries and expenses would be otherwise fully paid from appropriations made specifically for that purpose.

Question No. 4 is answered accordingly.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

OPPOSITION BY FARM ORGANIZATIONS

Mr. HOLLAND. I would also like, Mr. President, to call to the attention of the Senate the opposition to the limitation which has been expressed by the various farm organizations representing a large segment of the agricultural producers of the Nation.

First, I ask that the statement of the National Grange be included in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE NATIONAL GRANGE

NATIONAL GRANGE,

Washington, D.C., June 6, 1969.

HON. SPESSARD L. HOLLAND,
Chairman, Subcommittee on Agriculture
and Related Agencies, Committee on
Appropriations, U.S. Senate, Washing-
ton, D.C.

DEAR SENATOR HOLLAND: As Master of the National Grange, I appreciate this opportunity to apprise this Committee of the Grange's opposition to changing present farm programs by the indirect or "back door" method of amendment to the appropriation bill, H.R. 11612, now pending before this Committee of the Senate.

Present supply-management farm programs were developed and enacted by the Congress for the two-fold purpose of maintaining a reasonable income for the American farmer and a plentiful food and fiber supply for all Americans.

We firmly believe that changes in such programs should come only after hearings before the appropriate committees of the Congress.

Final approval of the \$20,000 limitation on the aggregate payments a single farmer can receive under the cotton, feed grains, wheat and wool programs will upset the production control features of the Agricultural Act of 1968 by forcing the large farmer to operate outside the program. We wholeheartedly support Secretary of Agriculture Hardin's testimony before this Committee which has given conclusive evidence that the imposition of the \$20,000 limitation will not save the government money, but will instead trigger the so-called "snap back" provisions of the present cotton program. These provisions call for the loan support price to increase from the present 21¢ per pound to 31½¢ per pound if payment limitations are imposed.

At the present time, the cotton program is costing the Federal Treasury approximately 10¢ per pound. The \$20,000 limitation of payments would increase the Federal Treasury's investment in cotton to approximately 20¢ per pound.

The net result would be as follows:

- (1) Increase in support price or loan price from 21¢ to 31¢ per pound.
- (2) This incentive for increased production would swell cotton stocks in C.C.C.
- (3) To enable U.S. to sell cotton on world markets would cost the Treasury an additional 10¢ per pound in an export subsidy.
- (4) Loss of foreign markets would further reduce our balance of payments.
- (5) Higher price of cotton would mean further loss of domestic market to man-made fibers.
- (6) The estimated cost of the \$20,000 limitation of payments would increase the cost to the Federal Treasury by approximately 700 million dollars.

In light of the above, if you are interested in saving money on the agricultural appropriations bill for fiscal 1970, we would urge you to remove the limitation of payments amendment from H.R. 11612.

Sincerely,

JOHN W. SCOTT,
Master.

Mr. HOLLAND. Mr. President, I now quote briefly from that statement:

At the present time, the cotton program is costing the Federal Treasury approximately 10 cents per pound. The \$20,000 limitation of payments would increase the Federal Treasury's investment in cotton to approximately 20 cents per pound.

The net result would be as follows:

- (1) Increase in support price or loan price from 21 cents to 31 cents per pound.

(2) This incentive for increased production would swell cotton stocks in C.C.C.

(3) To enable U.S. to sell cotton on world markets would cost the Treasury an additional 10 cents per pound in an export subsidy.

(4) Loss of foreign markets would further reduce our balance of payments.

(5) Higher price of cotton would mean further loss of domestic market to man-made fibers.

(6) The estimated cost of the \$20,000 limitation of payments would increase the cost to the Federal Treasury by approximately 700 million dollars.

Mr. President, that quotation was from a letter written by the master of the National Grange, Mr. John W. Scott, to the Senator from Florida, dated June 6, 1969.

I also ask unanimous consent that the statement of the National Milk Producers Federation be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C., June 6, 1969.

Hon. SPESSARD L. HOLLAND,
Chairman, Subcommittee on Department of
Agriculture and Related Agencies, Sen-
ate Office Building, Washington, D.C.

DEAR SENATOR HOLLAND: In view of efforts to limit the amount of money that any farmer may receive as a result of complying with price support programs, we should like to express our opinion in opposition. We are deeply concerned since such limitation was included in H.R. 11612.

Although milk would not be affected by a limitation on payments to individual farmers, as contained in H.R. 11612, it is our view that any such limitation would seriously impair the effectiveness of the price support program to the detriment of all agriculture.

Milk produced on farms throughout all fifty states of the Union represents the largest agricultural commodity subject to mandatory price support. The price support program as applied to milk under the Agricultural Act of 1949 is carried out through a commitment on the part of the Commodity Credit Corporation to purchase butter, non-fat dry milk, and cheese at prices necessary to maintain for all milk marketed by farmers, prices at or above the support level for milk as announced by the Secretary of Agriculture. By use of this procedure, the Commodity Credit Corporation purchases a very small fraction of total production, but the results are to undergird the price structure throughout the entire dairy industry, involving market sales by farmers of some \$6 billion per year.

As the price support program is operated for milk, any limitation on payments would render the whole program ineffective, since the price received for milk by any farmer is in no way dependent upon milk of such farmer being purchased as products by the Commodity Credit Corporation. The price received for milk by a dairy farmer can in no way be traced to the specific products purchased by the Commodity Credit Corporation.

The National Milk Producers Federation is not intimately familiar with price support operations as applied to other commodities. Nevertheless, the goal of price support legislation has as its purpose the strengthening of market prices for all agriculture, and it would be our view that any limitation on payments under any of the programs would seriously impair the goal. If the agricultural production of large units were excluded from

price support operations through a limitation on payments, the results could only be increased marketings from such units at lower prices, which would serve to depress price levels to all producers. Such a limitation, then, would adversely affect small producers the most and it is the small producers who have greatest need of price enhancement.

The National Milk Producers Federation is the oldest and largest farm commodity organization in America, having been organized in 1916. Its membership is comprised of local and regional associations doing business throughout the fifty states. Thus, we have a vital interest in the price support program and in a healthy agricultural economy.

We would appreciate it if you would make this communication part of the hearing record.

Sincerely,

PATRICK B. HEALY,
Secretary.

Mr. HOLLAND. I also ask unanimous consent that a letter from the National Association of Wheat Growers be printed in the RECORD:

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF
WHEAT GROWERS,
Washington, D.C., June 5, 1969.

Hon. SPESSARD L. HOLLAND,
Chairman, Subcommittee on Department of
Agriculture and Related Agencies, Senate
Committee on Appropriations, New Sen-
ate Office Building, Washington, D.C.

DEAR SENATOR HOLLAND: The National Association of Wheat Growers wishes to submit this letter for the record of the June 4 hearings before the Agriculture Subcommittee of the Senate Appropriations Committee.

In the view of our association, a limitation of payments to any one farm under the regulation of the wheat section of the 1965 Farm Act would be inconsistent with the major intents of that program. We also feel that an imposition of limitations would act to the detriment of our small farmers although their individual payments would not be affected by the proposed limit.

The present wheat supply management program was designed to adjust annual U.S. wheat production to within reasonable proximity of annual U.S. wheat disappearance. To accomplish this goal it is necessary to divert a specified number of acres from wheat production each year. If the program does not succeed in attracting sufficient acres into the diverted pool, the management of supply fails and the program will not work. If farmer Able is required to divert 100 wheat acres in order to be eligible for compensatory government payments, he has contributed 100 acres to the success of supply management and is paid accordingly. If his neighbor, Baker, must divert 1,000 acres in order to be in compliance, he is contributing 10 times as much toward the program goal as Mr. Able, and he should be paid in proportion. It should also be pointed out that farmer Baker has 10 times farmer Able's investment in his diverted acres, pays 10 times as much taxes on those acres, and has surrendered 10 times as much productive capacity by diverting them. To arbitrarily set payment limitations which would alter proportionate compensation to individual program participants would be unfair and certainly not consistent with the production control objectives as it would discourage voluntary cooperation by larger producers.

In the latter regard, it can be assumed with some certainty that those acres, normally diverted by larger farmers but forced into

out-of-program production by limitations, would have to be compensated for by additional allotment reductions to the smaller farmers remaining in compliance. There is very little to recommend this type of secondary penalty.

The National Association of Wheat Growers believes that if an equitable system of farm payment limitation is to be discussed, it should be during consideration of new proposals of general farm legislation.

Sincerely yours,

GLEN HOFER,
Executive Vice President.

Mr. HOLLAND. I also ask unanimous consent that the statement of the American Farm Bureau Federation be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JUNE 5, 1969.

Hon. SPESSARD L. HOLLAND,
Chairman, Subcommittee on Agriculture,
Senate Appropriations Committee, New
Senate Office Building, Washington, D.C.

DEAR SENATOR HOLLAND: In response to your announcement of June 4th that the hearing record on the subject of the payment limitations provision of H.R. 11612, the USDA Appropriations Act for fiscal 1970 as passed by the House, would be open for statements by interested individuals and organizations, we are asking that you include this letter as a part of that record.

In our appearance before your Committee on April 18, 1969, we addressed ourselves to the matter of overall farm policy, including payment limitations. We stated in part as follows:

"The budget request before you comes close to full restoration of losses through 1968. That request for \$6,215,934,000—\$3,534,542,000 in New Spending Authority and \$2,681,392,000 in liquidation of contract authority—is a record. We mention this only to reaffirm our earlier point—that the rapidly rising costs of carrying out the Food and Agriculture Act of 1965 must be of concern to all of us who have responsibility in agriculture policy.

"Again, we realize there is little this Committee can do by itself to change the course of these expenditures. The Act itself provided for a virtually uncontrolled expenditure of funds. We think it unfortunate that a number of people are suggesting today that the only way to get control of CCC expenditures is to place a limitation on the amount of payments any farmer may receive. Instead of supporting payment limitations, we support new legislation to phase out payment programs, thus making any such limitation unnecessary.

"We know that the Farm Bureau proposal to change the direction of the farm program will have no bearing on spending during fiscal 1970, or, for that matter, fiscal 1971. But we also know that it is necessary for committees such as this to look further into the future than one or two years in making expenditure plans. We are attaching as an appendix to this statement a two-page summary of the legislation we are proposing.

"We hope you will study it, keeping in mind that it is designed to help solve not only the income problems of agriculture, but also some of the fiscal problems of the Commodity Credit Corporation and the U.S. Treasury."

The above statement was based upon the following policy adopted by the official voting delegates to the most recent annual meeting of the American Farm Bureau Federation:

"The Food and Agriculture Act of 1965 has been extended through December 31, 1970.

This legislation has resulted in a very unsatisfactory level of farm prices for the covered commodities. We oppose the compensatory payment provisions of the Act of 1965.

"We favor legislative action on future farm program policy in 1969. Further delay in coming to a decision on this issue would only make the problem of adjustment more difficult for farmers.

"The problems of agriculture in the United States can be divided generally into two categories: first, the problems of commercial farmers and, second, the problems of other farmers. For too long we have attempted to apply the same remedy to the ills of both categories.

"We will support a transitional program to deal with the problems of noncommercial farmers. This could take the form of whole farm cropland retirement, permanent retirement of allotments, adjustments and retraining assistance, or other means.

"For the commercial farmer, we recommend a program which would move as rapidly as possible to the market system by phasing out acreage bases, acreage allotments, marketing quotas, and compensatory payments, with no limitations on payments to individuals, during the phase-out. The following objectives should be observed in developing such legislation:

"It should include a practical land retirement program to facilitate needed adjustments in land use. This program should be voluntary, provide for competitive bids, take cropland out of production with emphasis on whole farms, and prohibit the grazing of any crop from retired acres.

"It must encourage production for use rather than government storage.

"It must assure adequate supplies of all qualities of farm products to meet market demands.

"It should assure expanded research to cut production costs and improve farmers' ability to compete in the market place.

"It should emphasize effective action to expand exports."

We trust that this statement makes the Farm Bureau position clear.

Yours very truly,

MARVIN L. MCLAIN,
Legislative Director.

Mr. HOLLAND. I quote briefly from the statement, as follows:

We think it unfortunate that a number of people are suggesting today that the only way to get control of CCC expenditures is to place a limitation on the amount of payments any farmer may receive. Instead of supporting payment limitations, we support new legislation to phase out payment programs, thus making any such limitation unnecessary.

Mr. President, today I contacted the office of the Farm Bureau Federation here in Washington, and they reiterated to me the fact that under no circumstances do they wish to support this limitation, that they have prepared and have ready for introduction legislation which they will support, which they think will correct this matter. Whether we will support that legislation or not is another question. Whether we will support the legislation now being prepared by the Secretary of Agriculture is also questionable, until we know the contents of his recommendations.

The fact is that we will have the chance to work our will in this matter, after having looked at the whole picture, within a few months from now, without working this terrible injury and inequity upon hundreds of thousands of men and women in the various farm industries

who would be adversely affected, and without working upon our Nation the additional cost without benefits. Not only would the additional cost be borne by our already overstrained budget, but the additional surplus production, which we could not hope to dispose of domestically, would be placed in our warehouses and result in additional costs for storage. That would be a tragedy, for us to reverse the trend of the last few years, when we have been trying to get rid of these large surpluses.

I have one other letter which was forwarded to the committee by Senator MAGNUSON. This letter, which appears on page 58 of the Senate hearings, indicates that the proposed limitation would cost the schools of the State of Washington nearly \$200,000 per year. I ask unanimous consent that this letter also be printed in the RECORD.

These being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF WASHINGTON,
DEPARTMENT OF NATURAL RESOURCES,
Olympia, Wash., May 29, 1969.

HON. WARREN G. MAGNUSON,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR WARREN: On Monday, May 26, Julia Butler Hansen contacted us and requested some supporting arguments for exception of the state-owned lands from the proposed dollar limitation in the farm subsidy program that was being considered in HR 11612.

The proposed restriction limits the payment from the federal government to \$20,000 maximum to any one producer. Under the current interpretation of the existing statutes, our 130,000 acres of sharecrop cereal grain lands in Eastern Washington are considered as owned by "one producer". We have, as you know, proposed a change in this definition several times. The current proposal in HR 11612 would cost our schools nearly \$200,000 per year.

We have heard indirectly that HR 11612 passed without an exception being provided for our state-owned lands. We do not know that this is so, but in the essence of time we are forwarding the attached information to you.

We certainly would appreciate any assistance that you might give us in effecting an exception for our state-owned lands.

Very truly yours,

BERT L. COLE,
Commissioner of Public Lands.

Mr. HOLLAND. Without quoting the letter, it simply indicates supporting arguments by one of the States in the West which owns great areas of land itself, and is producing from that land various products, and would like it and its tenants to receive from the Government various payments under existing law—payments a part of which come to the State itself—amounting to more than \$200,000.

The last letter which I request to have printed in the RECORD does not appear in the printed hearings since it was received after the hearings were printed. This letter is from the Grain Sorghum Producers Association, addressed to me, dated June 24, 1969. I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GRAIN SORGHUM
PRODUCERS ASSOCIATION,
Lubbock, Tex., June 24, 1969.

HON. SPESSARD L. HOLLAND,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR HOLLAND: Our request is that you support the 1970 agriculture appropriation bill as the Senate Agricultural Committee voted it out of their committee. We especially hope that you will vote against any amendment to limit payments to farmers at any level.

Living in an area that will be affected most by such limits, we are convinced that it would wreck the farm program. Regardless of the size of a farmer, it now takes all the crop plus about two-thirds of the payments to pay the high cost of farming.

Many of our farmers produce both cotton and grain, and while the cotton payments are the largest, we feel the feed grain producers would be hurt first. When the larger farmers start looking for ways to cut their payments, the easiest way is to plant grain on all land above the required 20% diversion or go out of the grain program entirely. This additional production from the large farmers will break the grain prices and hurt everyone including the small farmers.

We know that the proposed limitations are unjust and not in the national interest. The Secretary of Agriculture has pointed this out also. We hope you will use all the influence that you can to kill any limitation of payments amendment when it comes before the Senate.

Thank you for your consideration in this matter.

Sincerely,

ELBERT HARP,
Executive Director.

Mr. HOLLAND. Mr. President, I had intended at this time to ask for the adoption of the committee amendments, with certain exceptions. Since I see that the Senator from New York is not present in the Chamber, I shall defer that request until a later time. I am happy now to yield to the distinguished Senator from Nebraska, the ranking minority member of the subcommittee which labored a good many weeks on this bill, and who has done such a faithful, capable, and patriotic job.

Mr. HRUSKA. I thank the Senator. I should like to have recognition, however, in my own right later, so that I may yield to the Senator from Illinois, with the understanding that I do not lose my right to the floor, and with the further understanding that his remarks will appear in the RECORD at the conclusion of those which I shall make on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, first let me commend the distinguished Senator from Florida and the distinguished Senator from Nebraska for the excellent job they have done on the agricultural appropriations bill.

I presume no Senator who has never served on the Appropriations Committee can fully understand what a laborious task it really is. You not only labor with it all day long, but you labor half the night; and I think that fact nearly cost me my eyesight when I was in the House of Representatives.

But I have served on House and Senate Appropriations Committees over the years for a total period of nearly 17 years; and I have some idea of the work that goes into it, and how much it de-

mands of an individual Senator's time. So I do commend the Senator from Florida most heartily for his work and the diligence he has shown, and I do the same for my distinguished friend from Nebraska and my distinguished friend the Senator from North Dakota (Mr. Young), who is the ranking Republican member of the committee, and has labored so long and earnestly in the appropriating field.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. YOUNG of North Dakota. I thank the Senator.

If I may be permitted to reminisce a little bit, when I first became a member of the Senate Subcommittee on Agriculture Appropriations, the distinguished minority leader was chairman of the House Agriculture Appropriations Committee, and his colleague, the late Senator Curly Brooks from Illinois, was chairman of the same Senate committee.

I remember 1 day when we were studying this bill, as we usually did day after day, he said, "We had better know this bill backwards and forwards, because Mr. DIRKSEN, on the House side, is very familiar with it. He knows it very well, and we had better be well posted."

Mr. DIRKSEN. Well, Mr. President, in the days when I was in the House of Representatives, and particularly on the Appropriations Committee, I thought all wisdom and all knowledge reposed in the House of Representatives. I tried to make that manifest to the Senators when we sat down in conference on these appropriation bills.

I am not sure that I always made the case, because there were many times when, in the somewhat vulgar parlance of the day, I had my ears pinned back, and good. So I learned to have a proper respect for the U.S. Senate, and when I thought it had earned that respect to which it was entitled, then I made up my mind that I ought to come here, and I did.

Mr. HRUSKA. Mr. President, before beginning my comments on the bill, I should like to pay a personal tribute to the very sound, careful, and thoughtful manner in which the bill has been handled by the chairman of the Agriculture Appropriations Subcommittee, the distinguished Senator from Florida (Mr. HOLLAND). It can be said that his mode of conducting hearings, assembling information and completing consideration of this bill is a model by which others may judge their own conduct when they are similarly placed in a position of leadership such as the position which he occupies.

Mr. President, we considered two budgets this year, one budget having been submitted by President Johnson, later presented in revised form by President Nixon. There were very distinct differences between those budgets, and the chairman did a remarkable job guiding the hearings through the changes. As ranking Republican on his committee for 3 years, I can testify to his dedication and fairness in serving the best interests of the Nation's farmers. The Senate is very grateful and appreciative, I am sure.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. HOLLAND. I wish to express to the Senator my appreciation for his overly generous statement.

Mr. HRUSKA. The Senator will be his own judge as to whether it is overly generous.

Mr. HOLLAND. I thank the Senator.

Mr. HRUSKA. Due to budget stringencies, the Agricultural Appropriations Subcommittee reviewed the proposed amended budget with close scrutiny to weigh priorities and assess the impact of the major cuts and reductions proposed by the Department of Agriculture and by the House of Representatives in the bill. The result represented our best composite judgment on the subcommittee and on the full committee.

The bill this year as reported by the Senate committee is a reduction from the 1969 fiscal year level of over \$500 million. The new budget authority enacted to date for fiscal 1969 is \$8,178,899,650, and the new budget authority contained in the committee bill is \$7,636,797,650.

However, the committee bill does represent an increase over the budget amount proposed by the Department of Agriculture and the amount contained in the bill as it came from the House. The budget estimate for fiscal 1970 of the Department of Agriculture is \$6,967,562,050. The new budget authority recommended in the House bill is \$6,806,655,000, which is \$830,142,650 less than the Senate committee bill.

Although it would appear that the Senate committee has been excessive in funding agricultural programs when compared to the House, this appearance is deceiving, and upon close examination is seen to be unfounded. The Senate committee, under the able leadership of its chairman sought austerity wherever it could be achieved without doing permanent harm to some segment of our agricultural industry, and without undermining sound fiscal policies of the Department. On the other hand, where the need was urgent and compelling, or where delay of an appropriation now would only require a supplemental appropriation later, the committee decided that adequate funding in this bill, even though higher than the House-approved items, would be in the public interest.

The agriculture budget is not just a subsidy for farmers, although that is the erroneous impression of many people. Certainly the cost of the price support programs supervised by the Commodity Credit Corporation is a large item in the budget. But, other items in this budget of lesser monetary sums have great importance to many segments of our society and our economy. Protection of the consumer, for example, is a major concern of the agricultural budget. The towns of rural America also receive important attention. Of equal importance are the children and the families of America who are in need of food assistance in order to achieve a healthy level of nutrition; these programs were of vital and immediate concern to the Senate committee.

Mr. President, I indicated a moment ago that the action taken by the Senate committee was responsible and that it represented our best composite judgment. Notwithstanding the fact that the budget approved by the committee is a little over \$800 million more than what the House had approved, we are not budget busters. We have acted responsibly in the face of mounting expenditures brought about for a number of reasons. Three items alone encompass about \$750 million of the \$800 million by which the House-approved figure was exceeded.

COMMODITY CREDIT CORPORATION

The principal item in the Senate bill is \$5,215,934,000 to reimburse the Commodity Credit Corporation fully for its net realized losses, or the cost of the Nation's farm programs, for fiscal year 1967, the balance of the 1961 inventory revaluation, and partial reimbursement of 1968 losses.

The new obligational authority recommended is the same as the budget estimate, but it is \$250 million above the House amount. Last year the Bureau of the Budget refused to request adequate restoration for losses of the Corporation. The Senate committee report warned that failure to request further restorations would require a supplemental appropriation. This warning proved to be accurate.

The Senate committee, as the distinguished chairman (Mr. HOLLAND) pointed out, welcomes the administration's request to restore all prior year losses except for \$250 million of those incurred in 1968. It is a responsible move.

FOOD STAMP PROGRAM

The second significant figure in the committee bill departing materially from the House bill is the amount of \$750 million for the food stamp program. When, on June 24, the Senate adopted Senate Joint Resolution 126, which would raise the appropriation limit for the food stamp program from \$340 million to \$750 million, it properly became a subject for the Senate committee to consider in its executive session on the following day when the agriculture appropriations bill was reviewed. Since the budget request for this program was \$340 million, and the amount approved by the House was the same, the amount of \$750 million represents an increase of \$410 million over both.

President Nixon in his message to the Congress on hunger and malnutrition said:

In the past few years we have awakened to the distressing fact that despite our material abundance and agricultural wealth, many Americans suffer from malnutrition. Precise factual descriptions of its extent are not presently available, but there can be no doubt that hunger and malnutrition exist in America, and that some millions may be affected.

In his message, the President recommended an additional \$270 million for the food stamp program for a total of \$610 million. However, since the Senate indicated by its adoption of Senate Joint Resolution 126 that it felt \$750 million was needed in the coming fiscal year to meet the needs of the hungry in the

United States, the Senate committee adopted that judgment.

ANTI-HUNGER PROGRAM

The third item is the special milk program. The committee recommends an appropriation of \$84 million for the program which is to be financed by general revenue funds under our bill, rather than by transfer of funds from section 32 as is provided in the House bill. The House-passed bill contained an item of \$120 million for the special milk program, but the entire amount was to be taken from section 32. It was found, however, that to follow the House recommendation, section 32 would be reduced to \$180 million, which the Senate committee did not feel would be adequate for the basic purposes of section 32. Such purposes are to stabilize price depressed markets of perishable commodities by surplus removal operations. For this reason, the committee placed the special milk program under general revenue.

The committee also approved an additional \$20 million for providing milk to children in nonprofit schools, child day care centers, summer camps, and similar nonprofit institutions which are devoted to the care and training of children. The \$20 million, however, is to be transferred from section 32.

Although the child nutrition and feeding programs are being greatly expanded by the Department, I feel that continuance of the special milk program for the coming fiscal year will insure that where the expanded program is delayed in reaching certain children, that these children can still receive daily milk, which nutritionists consider the most vital ingredient to healthy growth.

As President Nixon said in his message:

The moment is at hand to put an end to hunger in America itself. For all time.

The committee is attempting to meet this challenge.

In total these three items amount to about \$750 million of the \$800 million increase in the Senate bill over the House bill.

NONFARM ITEMS IN BILL

Mr. President, there are a few other matters—which have already been touched upon during the course of the afternoon—which should be discussed during this debate. First, is the attack upon the farmer which we hear each year for costing the Government billions of dollars to subsidize him, and for getting the sole benefit of these tremendous agricultural appropriations. But the facts are, and it should be widely circulated, that there are many parts of this appropriation which go to programs other than for the farmer.

The subcommittee staff has prepared an analysis of the expenditures contained in the fiscal year 1970 estimate, which are charged to the Department of Agriculture, but which clearly provide benefits to commerce, to businessmen, and to the general public.

They total \$3.9 billion for nonfarm usage, and \$3.1 billion for other programs, which are predominantly for the stabilization of farm income but which also benefit others, such as Commodity

Credit Corporation price-supported and related programs. Thus, there is a far larger part of the total appropriation being devoted to nonfarm items as compared to those which are so-called farm items.

The analysis which I have, indicates just how many of these billions go to the farmers and how many of these billions go to other parts of the population and other Government activities.

Mr. President, I ask unanimous consent that this tabulation be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HRUSKA. Mr. President, let me also emphasize that the Federal funds used directly to aid and assist the American farmer could be put to no better purpose.

Agriculture is the mother of us all. Not so many generations ago, almost all of our forebears were farmers. Today, agriculture still supplies us with the great part of our most basic necessities—food and clothing.

Agriculture is the Nation's biggest single industry, employing more people than the auto industry, the steel industry, the transportation industry and the utility industry combined. Yet, because of greatly improved technology and a chronic price-cost squeeze, our farm population has declined from 30.2 million in 1940 and 23 million in 1950, to an estimated 11.6 million in 1966. Our farmers nevertheless provide a greater contribution to the economy than ever before, even though they are fewer in number.

This is not to indicate, however, that all farmers are well-to-do, nor that rural America is prospering.

POVERTY IN RURAL AREAS

Although the population of rural America is less than 30 percent of the total population of our Nation, half of the Nation's poor, half of those receiving old-age and child-care assistance, and almost half of the Nation's people living in substandard housing are in rural America. Nearly 14 million rural inhabitants, one out of every four, are poor. Most rural families have not achieved a level of living comparable to most urban Americans.

Mr. President, I ask unanimous consent to have inserted at this point in my remarks a table from the 1960 Census of the Population showing the number of rural and urban persons and families in poverty.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 14.—NUMBER OF PERSONS AND FAMILIES IN POVERTY, BY RESIDENCE, UNITED STATES, 1960 AND 1965¹

[Figures in millions]

Persons and unrelated individuals	1960		1965	
	Persons	Families	Persons	Families
Total in poverty.....	41.3	.....	35.3	.....
Urban.....	22.6	.....	19.4	.....
Rural.....	18.7	.....	15.9	.....
Nonfarm.....	13.0	.....	10.5	.....
Farm.....	5.7	.....	5.4	.....

TABLE 14.—NUMBER OF PERSONS AND FAMILIES IN POVERTY, BY RESIDENCE, UNITED STATES, 1960 AND 1965¹—Continued

[Figures in millions]

Persons and unrelated individuals	1960		1965	
	Persons	Families	Persons	Families
In families.....	34.9	8.7	29.0	7.0
Urban.....	17.8	4.6	15.9	3.8
Rural.....	17.1	4.1	13.1	3.2
Nonfarm.....	11.6	2.8	8.9	2.1
Farm.....	5.5	1.3	5.2	1.1
Unrelated individuals.....	6.4	.....	5.3	.....
Urban.....	4.8	.....	3.5	.....
Rural.....	1.6	.....	1.8	.....
Nonfarm.....	1.4	.....	1.6	.....
Farm.....	2	.....	.2	.....

¹ Poverty thresholds for nonfarm families, developed by Mollie Orshansky (Social Security Bulletin, January and July 1965), in terms of family money income, were determined by (1) costing nutritionally adequate economy food budget for families of various compositions regarding number, age, and sex of members; and (2) multiplying that food cost by 3 poverty threshold for farm families is 85 percent of the money income of the relevant nonfarm family. The range of poverty threshold incomes is nonfarm, \$1,580 for 1-person family under age 65 to \$5,090 for family of 7 or more persons; farm, \$1,340 for 1-person family under age 65 to \$4,325 for family of 7 or more persons.

Source: 1960 figures derived from 1960 Census of Population, Urban, rural, and nonfarm rural populations for 1965 were estimated from Current Population Survey data by Office of Economic Opportunity. (See Dimensions of Poverty, Office of Economic Opportunity, 1965.)

Mr. HRUSKA. We hear the argument that the farm programs are granting enormous subsidies to farmers and that these subsidies should be limited or eliminated. To do either would threaten the very existence of the small, struggling farmer in rural America. The farmer is losing ground fast enough. He is entitled to make a fair living the same as the rest of the population. He is entitled to be placed in a position where he can continue his operations; and his problems are many. In this bill the farmer does not receive any largesse or handout; he receives merely a minimum of Federal aid to help him continue to produce food and fiber for the American consumer at a cost to the consumer of about 17 percent of his income, which is the lowest in the world.

In fact, depression is far more common in American agriculture today than prosperity. During the last 8 years practically one farmer out of every four has been forced off the farm. In 1968, there were four million farms in America; today, there are less than three million. The farms are being abandoned, and the towns in the farming regions are being deserted.

At this point, Mr. President, I should like to revert to a subject which was discussed briefly earlier this afternoon. It has to do with the fashion in which the press generally, and many commentators, whether in the press or over the air, comment on what these payments do and do not do.

During the course of my remarks I shall quote from and comment upon an article which appeared in the June 20 issue of Time magazine, at page 81. In doing this, I want to make perfectly clear that that journal is one of my favorites. I have been reading it since it was first published. I think it does an outstanding job in the field of journalism.

In the article from which I shall read and upon which I shall comment, we find

a very scholarly and splendid analysis and commentary on the critical fight against inflation. It is competently written, and it is certainly directed toward the current situation. But an unfortunate statement crept into the article. After an analysis of the causes and the tremendous impact and detrimental impact upon America caused by inflation, this article went on to say, "Now, we are not just going to call attention to this situation. We want to be constructive about it, so we are going to try to propose some specific measures and proposals." It is put in good form, in this way:

The economy can fairly comfortably tolerate an inflation rate of 2% yearly, and the Government should aim at that. To do any better, most economists agree that there must be far-reaching reforms.

And then we find the nubbin of my objection:

As an obvious starter, Congress should scrap the farm-subsidy programs, which not only cost taxpayers \$5.7 billion a year but artificially inflate the prices of cotton, wheat, corn, soybeans and rice. The subsidies also help to drive up the price of farm land, adding another push to the price of produce.

Mr. President, somewhat reluctantly and regretfully, I must disagree with that characterization of the farm program. It is not only an unfair statement; it is totally inaccurate.

In the first place, \$5,700,000,000 is not a correct figure as the cost of the farm subsidy program. In the second place, there is not undue inflation of prices in the agricultural field.

Let me read the price record of the commodities cited by Time as being inflated.

Wheat—the farmer's share of the consumer's dollar for wheat products has changed little in the past two decades. In fact, if farmers gave their wheat away, bread prices would be only 2½ cents less. This is inflationary?

Much the same is true for other commodities cited by Time.

The season average market price received by farmers for corn in 1968 was \$1.06 per bushel. In 1966, farmers received an average of \$1.24 per bushel for corn, in 1960, the figure was \$1 per bushel, and in 1950, it was \$1.52 per bushel.

Mr. President, a reduction from \$1.52 in 1960 to \$1.06 in the current year is hardly inflationary.

Cotton farmers received an average of 22.10 cents per pound for their 1968 crop. In 1966, they received 20.84 cents per pound, in 1960, the figure was 30.19 cents, and in 1950 it was at 40.07 cents.

That cannot be called inflationary.

Soybean producers received an average price of \$2.42 per bushel for the 1968 crop, down from \$2.75 per bushel in 1966 but up from \$2.13 in 1960. But in 1950, soybeans returned \$2.47 to the farmer, 5 cents more than 18 years later.

Just in passing, I might point out that soybeans are the number one dollar earner of all U.S. agricultural exports. Thus, soybeans make a big contribution to the Nation's balance of payments and help to curb inflation. In 1968, soybean exports, including oil and meal, totaled \$1,110,000,000—almost 2½ times the \$451

million worth exported in 1960. And the increase was practically all in dollar sales. Specifically, soybeans exported under Government programs totaled \$101 million in 1960 and \$112 million in 1968.

Rice producers in 1968 received an average market price of \$4.89 per hundredweight, 6 cents less than 2 years earlier. In 1950, rice producers received \$5.09 per hundredweight—20 cents more than in 1968.

It is a distortion of the facts to point the finger of inflation at these commodities.

By contrast, if you buy a copy of Time on the newstand, it will cost you 50 cents. I can recall that it was only a year or so ago when the magazine cost 35 cents.

Time also erred when it reported the cost of price support and related Federal farm programs. Time set the figure at \$5.7 billion a year when in reality for fiscal 1970 it is expected to run \$3 to \$3.5 billion. The \$5.7 billion figure includes, in addition to farm price programs, such items as meat inspection, food distribution to low-income people, research on nutrition, disease and pollution, and other programs which benefit all Americans, not just farmers.

I get weary of the editorial downplay frequently given to U.S. agriculture—an industry which is the marvel of the world for its efficiency.

Farmers, more than others of our economy, are victims of inflation rather than the instigators. And I can tell you, as a Senator from a farm State, that they are not very happy about the squeeze they are in.

They see all around them that prices for things they buy are rising. But the prices they receive for many of their products are declining.

The facts are that the index of prices received by farmers for all crops in 1968 was just 3 percent higher than in 1960 and slightly below the mid-1950's. There is no way anyone can label this as inflationary when in those same years—1960 to 1968—prices paid by farmers for production goods increased 20 percent.

Yes, retail prices for food have increased. But if Time magazine is looking for a culprit it will not find it on the farm.

It might be added that recently, in the first part of June, in a few sales of choice fat steers on the Chicago market, the price of \$35 a hundredweight was obtained. Almost 20 years earlier, that same figure, \$35, was paid for choice fat steers on the Chicago market; but if we were to translate the \$35 received in 1969 into constant dollars, we would find they actually had received only \$20 in value. It means, of course, that the prices of things which the farmers must buy and with which he lives and with which he implements his farm and with which he produces have gone much higher, whereas the prices of the commodities that he brings to the market are much lower.

I do not like to belabor this point except it has to be done periodically, it seems, and unless it is done on the floor of the Congress, I do not know where it can be done. I do not know, in fact, what effect this explanation has, but, in

all fairness, I think these matters should be brought out.

I want to say again that, in all fairness, the designation of the gross budget for the Department of Agriculture as being for farm subsidies is not confined to any one journal, editorial writer, or commentator. It is a fairly typical comment and fairly often repeated. Repeatedly, in recent years, this Senator has called attention to similar erroneous labeling.

If the "obvious starter" recommended by Time magazine were made, and the \$5.7 billion for fiscal year 1969, were scrapped, here are some of the items that might be deleted:

There might be deleted from this budget approximately \$2 billion for the purpose of distribution of food stamps, school lunch programs, school milk programs, direct distribution of food to institutions and other programs, despite the fact that this year the heaviest of emphasis is being placed on the problem of feeding the hungry.

There is also programs for the revitalizing of rural areas which might be deleted, despite the fact that more than one-half of the poor of the Nation live in rural areas. There is a substantial item in the budget for that. And if we are to ease the pressure of the ever-growing population upon metropolitan centers caused by migration from the rural areas, one of the necessary antidotes is to see that there be improvement in the living conditions in rural areas.

There is another item subject to deletion by the standard of the article, and that is consumer protection. The consumers place great reliance upon these programs, and I will cite some of them.

We had heated debate in the Senate on behalf of the Wholesome Meat Act in 1967, and this program is now administered by the Department of Agriculture. Yet the Wholesome Meat Act would be nothing but words, and cold print, if it were not for the funds needed to put the provisions of the act into effect. The same is true for the Poultry Products Act of 1968. Food inspection, packaging, and labeling, research for better and more economical ways of marketing foods and for preparing and distributing them in proper fashion, are also included in the area of consumer protection.

Sometimes it is said it would be all right to suspend our research, in view of our budgetary stringencies. When such an argument is made, Mr. President, there is an easy way to answer it.

Suppose we had ceased research and development in the field of agriculture 10 years ago. It would be a most interesting compilation to see the list of things which we take for granted today in our Nation's diet and Nation's food basket, which would be missing from the supermarkets today, if research and development had been suspended.

The same thing can be said, and would be said, of a period of time 10 years hence, if we had a total suspension of efforts in that regard from today.

So we get to the figure of \$7 billion for the fiscal 1970 estimate, of which \$3.9 billion are nonfarm in character, and only \$3.1 billion of which would go for the stabilization of farm income, and yet

would serve to benefit even others than the farmer himself.

Now let me turn to the programs to revitalize rural areas.

PROGRAMS TO REVITALIZE RURAL AREAS

Besides farm payments which aid the farmers' income, there are other vital programs assisting the towns of rural America to pursue renewal and revitalization. The appropriations for the Farmers Home Administration, the Rural Community Development Service, the Rural Electrification Administration, and the Soil Conservation Service are items of great importance to such rural renewal.

One example of the services offered under these programs might be the rural water and waste disposal grants. The original figure in the budget was \$28 million for this item. It now stands, as a result of Senate action, at a total of \$46 million. This is a program of great value, because of its impact upon checking the migration of rural people into metropolitan centers.

During the hearings of the Agricultural Appropriations Subcommittee, Mr. James Smith, Administrator of the FHA testified as follows in response to one of my questions:

If we are to revitalize rural America, water and waste disposal grants with loans based on ability to repay are vital investments in the future of small rural towns. Without a development grant to defray a part of the cost, many rural communities cannot finance the total cost of a water or waste disposal system. Adequate public facilities in rural communities provide a basis for economic growth. After water or waste disposal systems have been constructed, new houses are built, industry expands and the social and economic life of the community improves. Adequate facilities must be provided to stem the flow of outmigration from rural communities to urban centers.

I could not agree more.

No doubt should be left lingering on this point. The problems and fate of the small towns of America are inexorably intertwined with the problems and fate of our urban centers. There are now 130 million people living in big cities whose total area covers hardly more than 1 percent of the United States. The rest of the country with its vast natural resources, remains relatively underpopulated and underdeveloped; and yet thousands of small cities and towns are almost ideally situated to accommodate industry, business development and more people. The efforts of the Department of Agriculture in these rural development programs deserve the support of my colleagues in this Senate because of the help that they will provide to a vast part of the American population to attain a more normal way of life.

Farmers, too, have as much or more to gain than anyone from the development of rural America. It will bring more local processing and packaging of farm products, as well as increased local consumption and demand for various products of the land. It will mean more local opportunities for farm as well as non-farm families. There would be more incentive to build for the future. Farming will become increasingly related to the total land economy.

CONSUMER PROTECTION

Another item which I have already commented upon is consumer protection—those programs providing protection for the consumer, for his health, for his dollar spent on food, and for his environment.

The Consumer and Marketing Service is most responsible for the programs which protect the consumer's health and pocketbook. It supervises the mandatory meat and poultry inspection programs to assure that all meat and poultry products shipped in interstate and foreign commerce are wholesome.

Additional funds are needed under these programs to provide a continuing high level of Federal inspection of products in interstate commerce. The increasing use of new convenience foods in both the food service industry and households, and the greater use of pre-packaged meat products are requiring a growing program need of inspection. Also, slaughter inspection and processing inspection require increased funds to keep pace with increased industry activity to insure that no adulterated, contaminated or diseased products reach the consumer's table. It is a small price to pay for the commendable protection achieved.

The Packers and Stockyards Administration serves the consumer with equal diligence in similar fashion. The main objective of this service is to maintain free competitive practices in the marketing of livestock, meat, and poultry. It operates currently to suppress monopoly, fraud, or restraints of trade in the marketing of \$15 billion worth of livestock, nearly \$2 billion worth of live poultry, and about \$20 billion worth of meat and dressed poultry annually. The effect is to aid the consumer in obtaining the greatest bargain in America—food.

Consumer protection also includes the research activities on agriculture-related pollution.

An estimated \$1 billion annually would be required for the first 5 years to fully implement the total projected program for controlling agriculture-related pollution, according to one recent report. This amount represents an increase of approximately 60 percent over current funding. The largest expenditures projected in this report are by the Department of Agriculture.

The conscience of the Nation has been directed with great intensity toward this field. Budget cuts prevented any such undertaking by the Department of Agriculture in fiscal 1970, but certain modest activities have been encouraged by the Senate committee. One such activity is research in animal waste management. The volume of wastes from livestock and poultry production is estimated at 1.7 billion tons annually. About one-half of this amount is produced by animals in concentrated production systems, such as feed lots. Statistics on animal waste show that one steer is equivalent to 16 people, so the impact of a large feed lot is readily imaginable. These animal wastes are a growing concern in the abatement of water, air, and soil pollution. The Senate committee added \$250,000 to the budget of the Agricul-

tural Research Service to stimulate greater effort in this area of research.

In light of the conclusions of the pending publication of a National Academy of Sciences-National Research Council report on persistent pesticides and their effects on man, agriculture, and the environment, I must emphasize the need for the Department of Agriculture to undertake studies on the possible long-term effects of low levels of persistent pesticides. The Department budget contains an item of \$100,000 for a pesticides coordination fund for control and regulation work related to the registered uses of pesticides. This might be the appropriate fund to be used to encourage research in earnest.

Mr. President, on this issue I ask unanimous consent that a letter and report from Dr. R. J. Anderson, Associate Administrator of ARS, to Senator HOLLAND be included in the RECORD at the conclusion of my remarks. It reflects a growing concern about pesticide pollution.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HRUSKA. Mr. President, briefly, another area of such research is the expanded enforcement activity under the Federal Insecticide, Fungicide, and Rodenticide Act. Under this act, the Department seeks to protect the public from misbranded, adulterated, unsafe, and ineffective pesticide products. The Senate committee restored the budget item to the amount of \$4,106,100, as requested by the Department but reduced by the House.

LIVESTOCK AND CROP REPORTING

Two items remain which I wish to discuss. These items relate very closely to my home State of Nebraska because they deal with livestock which is Nebraska's greatest industry. Neither of these items had been included in the Department budget, nor had they been included in the House-passed bill. However, the Senate committee after careful consideration placed these items in the budget because of their importance to the livestock industry.

The first item is \$1 million to initiate a multiframe sampling program to improve the accuracy and reliability of livestock estimates, with particular emphasis on cattle and hogs. In the past, the livestock industry has suffered disastrous consequences as a result of unreliable statistics. A multiframe sampling program seems to be the best answer. It will get away from voluntary response to questionnaires in trying to arrive at estimates, and trying to go about it in a little more affirmative and positive scientific fashion.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield.

Mr. HOLLAND. In addition to all his other services in the drafting of this bill, I want the RECORD to show that the Senator from Nebraska was the moving force in connection with this improvement, and it will be a very great improvement, in collecting statistics on livestock, meaning beef and hogs, and I want him to have credit in the RECORD for having in-

initiated and seen through this important amendment.

Mr. HRUSKA. I thank the Senator from Florida very much.

It is not easy to get enthusiastic about an improvement in statistics reports, Mr. President, but all farm marketing, both crops and livestock, in 1968 totaled \$44 billion. Out of that total, livestock and livestock products accounted for 58 percent. They accounted for a total of over \$25 billion. Unless we have reliable marketing statistics, the basic statistics that will enable advantageous marketing of commodities, somebody is going to get caught short and be exploited. That has no place in our system of economics, and our system of marketing in this country.

No industry as big in the United States has had to depend on such inadequate government statistics as has the livestock industry. I am pleased this vital sampling program can be initiated this fiscal year.

So, I am happy that the alteration was made. I do hope that it will be sustained through the final stages of the legislation.

I am also pleased that the committee recommended the full budget amount of \$140,000 for probability surveys of farm grain stocks, \$374,000 for research to improve agricultural statistics, and \$320,600 to reinstate a number of crop and livestock estimates that had been proposed to be discontinued in the budget. Many of these reports are of vital concern to the farmers and ranchers of the Midwest.

The other item related to livestock is the amount of \$500,000 granted by the committee for development funds for the U.S. Animal Research Center at Clay Center, Nebr.

For too long there has been an imbalance between the resources we have invested in crop research against those invested in animal research. Over the past 12 years, the Department of Agriculture has been spending two and three times more dollars each year for crop research than for animal research, although livestock marketing receipts are about 57 percent of total farm cash receipts. It was high time to bring about a better balance in the research budgets between the two segments of our farm economy, recognizing their relative importance in dollar terms.

Mr. President, I express my congratulations to the chairman of the committee for another job well done, and I hope as we proceed to the consideration and approval of the bill that we will listen well to his wise counsel because every one of the decisions made in the final text of the pending bill is the result of his careful examination and experienced judgment.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield.

Mr. HOLLAND. Mr. President, I am glad for another reason that the Senator has brought the point out, because it not only points out that the livestock industry amounts to something like 58 percent, as I believe the Senator stated, of the total marketings of all agricultural

products of the Nation, but also when we add to that the other non-price-supported commodities, most of them being highly perishable, such as poultry, fruit, and vegetables, we get up to somewhere between 70 and 75 percent, as I recall, of the total agricultural production of the Nation that is not under any price support program. We must look to the initiative of the producers and to such Government assistance as can properly be rendered through research and in providing statistics relating to the commodity and things of that kind, which are about all that Government can do.

I think it is good for the public to know that with all of the talk about price supports, the fact is that by far the largest part of our agricultural production gets no price support whatever and wants none.

Mr. HRUSKA. That is correct. This production is out in the competitive market, and it should have all of the implements and tools it can get to make sure that the marketing systems are operating fairly and to the advantage of the producers, marketers, distributors, processors, and also the consumer.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks an analysis by value and percentage of all farm marketings and subdivisions thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. HRUSKA. Mr. President, in conclusion, I again congratulate the committee chairman and also the staff for their very loyal and very fine work on the pending bill.

EXHIBIT 1.—BUDGET OUTLAYS—FISCAL YEARS 1968, AND ESTIMATED 1969 AND 1970

[In millions]

	1968	1969 estimate	1970 estimate
Programs which clearly provide benefits to consumers, businessmen, and the general public:			
Programs having foreign relations and defense aspects:			
Sales of agricultural commodities for foreign currencies and for dollars on credit terms (title 1, Public Law 480).....	\$860	\$661	\$560
Commodities and other costs in connection with donations abroad (title II, Public Law 480).....	334	376	365
Transfer of bartered materials to supplemental stockpile (net).....	24	—2	—3
Donations of dairy products to armed services and others.....	15	17	20
Other.....		1	
Total.....	1,243	1,053	942
Food distribution programs (domestic):			
Commodities distributed to the needy and others.....	394	592	717
Food stamp program.....	185	273	338
Child nutrition programs.....	217	246	368
Special milk program.....	104	104	15
Total.....	900	1,215	1,438
REA and FHA repayable loans:			
REA loans.....	495	528	555
Repayments of principal and interest.....	—304	—296	—306
FHA loans.....	104	—191	—274
Salaries and expenses for loan programs.....	77	80	106
Total.....	372	121	81
Long-range programs for the improvement of agricultural and natural resources:			
Forestry.....	188	189	162
Agricultural and forestry research.....	270	264	264
Plant and animal disease and pest control.....	84	88	89
Soil and water resource protection and development:			
Agricultural conservation program.....	252	249	242
All other.....	276	307	303
Cooperative agricultural extension work.....	90	97	101
Inspection of commodities and other marketing services.....	92	121	144
All other.....	90	94	119
Total.....	1,342	1,409	1,424
Total.....	3,857	3,798	3,885
Other programs which are predominantly for stabilization of farm income, but which also benefit others: CCC price-supported and related programs:			
CCC loan, purchase, export, and related programs.....	473	511	—361
Storage, handling, and transportation expenses.....	92	140	151
Interest expense (net).....	311	299	290
Acreage diversion payments:			
Feed grains.....	510	595	632
Wheat.....		35	80
Cotton.....	244	103	31
Price-support payments:			
Feed grains.....	322	628	710
Cotton.....	611	642	799
Wheat certificate program.....	342	361	348
National Wool Act program.....	70	62	56
Total.....	2,975	3,376	2,736
Cropland adjustment program—adjustment payments.....	79	77	78
Conservation reserve program.....	122	109	40
Federal crop insurance program (net).....	15	1	
Sugar act program.....	84	96	96
Salaries and expenses for above programs.....	176	193	189
Total.....	3,451	3,852	3,139
Grand total.....	7,308	7,650	7,024

EXHIBIT 2

[Report on Pesticides and Their Effects on Man, Agriculture, and the Environment]

U.S. DEPARTMENT OF AGRICULTURE,
AGRICULTURAL RESEARCH SERVICE,
Washington, D.C., June 4, 1969.

HON. SPESSARD L. HOLLAND,
Chairman, Subcommittee on Department of
Agriculture and Related Agencies Com-
mittee on Appropriations, U.S. Senate.

DEAR SENATOR HOLLAND: During the past few weeks a great deal of interest has been expressed regarding the pending publication of a National Academy of Sciences-National Research Council report on persistent pesticides and their effects on man, agriculture, and the environment. The Department has just received the first few copies of this report and I am enclosing one for your reference. Additional copies are being printed and I will see that each member of your subcommittee receives one.

Sincerely yours,

R. J. ANDERSON,
Associate Administrator.

CONCLUSIONS AND RECOMMENDATIONS FROM NAS-NRC REPORT ON PERSISTENT PESTICIDES

CONCLUSIONS

1. Persistent pesticides are contributing to the health, food supply, and comfort of mankind, but, in the absence of adequate information on their behavior in nature, prudence dictates that such long-lived chemicals should not be needlessly released into the biosphere.
2. Although persistent pesticides have been replaced in some uses and are replaceable in others, they are at present essential in certain situations.
3. No decrease in the use of pesticides is expected in the foreseeable future. On a world basis, increased use is probable.
4. Although the use of DDT has decreased substantially, there was no important change in the use of other organochlorine insecticides in the United States during the 10-year period ending June 30, 1967.
5. Available evidence does not indicate that present levels of pesticide residues in man's food and environment produce an adverse effect on his health.
6. Registration requirements for persistent pesticides appear to provide adequate safeguards for human health, but continuing attention must be given to accommodating new knowledge and insuring against subtle long-term effects.
7. Residues of certain persistent pesticides in the environment have an adverse effect on some species of wild animals and threaten the existence of others.
8. The availability and low cost of effective persistent pesticides have slowed the development and adoption of alternative methods of control.
9. Work on nonchemical methods as alternatives to persistent pesticides has been emphasized in recent years, and continued support for this work is needed.
10. Inadequate attention and support are being given to developing pesticidal chemicals and to improving techniques for using them.
11. Persistent pesticides are of special concern when their residues possess—in addition to persistence—toxicity, mobility in the environment, and a tendency for storage in the biota.
12. A few organochlorine insecticides and their metabolites have become widely distributed in the biosphere, appearing in the biota at points far from their places of application.
13. The biosphere has a large capacity for storage of persistent pesticides in the soil, water, air, and biota, but little is known concerning amounts of persistent pesticides and of their degradation products that are stored in the biosphere.
14. Knowledge is incomplete concerning the fate and degradation of persistent pesti-

cides in the environment, their behavior in the environment, the toxicity of the degradation products, and the interaction of these products with other chemicals.

15. Present methods of regulating the marketing and use of persistent pesticides appear to accomplish the objectives of providing the user with a properly labeled product and holding the amounts of residue in man and his food at a low level. However, they do not appear to insure the prevention of environmental contamination.

16. Public demand for attractiveness in fruit and vegetables, and statutory limits on the presence of insect parts in processed foods, have invited excessive use of pesticides.

17. The National Pesticide Monitoring Program provides adequate information about residues in man and his food, but it does not provide adequate information about the environment generally, because it can detect changes in residues only in selected parts of the biosphere.

18. Contamination of the biosphere resulting from the use of persistent pesticides is an international problem. Changes in techniques for using these pesticides and the substitution of alternatives here and abroad are questions of immediate concern to all mankind.

RECOMMENDATIONS

The Committee recommends—

1. That further and more effective steps be taken to reduce the needless or inadvertent release of persistent pesticides into the environment.
2. That, in the public interest, action be increased at international, national, and local levels to minimize environmental contamination where the use of persistent pesticides remains advisable.
3. That studies of the possible long-term effects of low levels of persistent pesticides on man and other mammals be intensified.
4. That efforts to assess the behavior of persistent pesticides and their ecological implications in the environment be expanded and intensified.
5. That public funds for research on chemical methods of pest control be increased without sacrifice of effort on nonchemical methods.
6. That the present system of regulation, inspection, and monitoring to protect man and his food supply from pesticide contamination be continued.
7. That the objectives and procedures of the National Pesticide Monitoring Program be reviewed and that the feasibility of obtaining data on quantities of persistent pesticides in the biosphere be studied.

EXHIBIT 3.—U.S. CASH RECEIPTS FROM FARM MARKETINGS (Dollar amounts in millions)

	1967	1968
All farm markets, both crops and livestock.....	\$42,788	\$44,065
Livestock and products, all.....	\$24,405	\$25,641
Percent of total.....	57.0	58.2
Meat animals only.....	\$14,630	\$15,499
Percent of total.....	34.1	35.2
Cattle and calves only.....	\$10,551	\$11,366
Percent of total.....	24.6	35.8
Hogs.....	\$3,780	\$3,830
Sheep and lambs.....	299	303
Dairy products, all.....	5,770	5,981
Poultry products and eggs, all.....	3,640	3,828
Miscellaneous livestock products.....	365	333
Crops, all.....	18,383	18,424
Food grains, all.....	2,531	2,362
Wheat.....	2,066	1,823
Feed crops, all.....	4,306	4,027
Corn.....	2,652	2,447
Sorghum grain.....	612	577
Hay.....	578	552
Barley.....	284	266
Oats.....	180	185
Cotton (including both lint and seed).....	1,107	1,359
Tobacco.....	1,392	1,182
Oil crops, all.....	2,773	2,666
Soybeans only.....	2,432	2,289
Vegetables, all.....	2,634	2,784
Fruits and nuts, all.....	1,747	2,053
All other (includes sugar).....	1,893	1,991

Mr. HOLLAND. Mr. President, I again thank my distinguished friend, the Senator from Nebraska.

It is proper at this time, since we have had several requests for the postponement of consideration this afternoon of specific amendments, that we go through the pending bill amendment by amendment, except as to the ones where we have been requested to postpone action and approve the unobjected-to amendments today so that when we take up these relatively few objected-to amendments on next Monday, we will be confined to them.

The PRESIDING OFFICER. The clerk will state the first amendment.

The first amendment was, on page 3, at the beginning of line 4, insert "Provided, further, That the limitations on construction contained in this Act shall not apply to a total of \$350,000 for construction of a new animal disease and parasite research facility, at Beltsville, Maryland."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. HOLLAND. Mr. President, I move that we reconsider the action by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will state the second committee amendment.

The next amendments were, on page 3, at the beginning of line 15, strike out "\$130,182,000" and insert "\$134,452,000"; and, in line 19, after the word "which", strike out "\$710,000" and insert "\$2,306,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. HRUSKA. Mr. President, I move to lay the motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendments.

The next committee amendments were, on page 4, line 11, after "(21 U.S.C. 114b-c)", strike out "\$89,493,000" and insert "\$92,126,500"; and, in line 19, after the word "exceed", strike out "\$1,000,000" and insert "\$2,000,000".

Mr. JAVITS. Mr. President, I think we might be able to get rid of the \$2 million item if I explain very briefly the story to the Senator.

Apparently the \$2 million was supposed to be provided for an animal quarantine station at Fort Tilden. There is some question as to whether the land will be used entirely as a park or a part of it will be used for this quarantine station.

I am told that the committee understands the action and will take account of it in conference or thereafter and that really the matter is up in the air as between two Government departments as to how it is to be determined.

If the Senator would rather pass over the matter, I will try to nail it down between today and next Monday. That would be fine with me. However, I

wanted the Senator to be acquainted with the problem.

Mr. HOLLAND. Mr. President, I am simply trying to carry out my statement to the distinguished Senator that I would pass over the two amendments on page 4, lines 11, and 19.

I state now for the RECORD that this item is for the construction of a proposed animal quarantine station at Old Fort Tilden in New York. The construction or a new facility has been in the planning stage for several years and the city of Clifton, N.J., which had the old station has made and is proceeding with plans for the construction of various public buildings in the area being vacated by the old and dilapidated quarantine station.

Everything has been done, I think, including the passage over 4 years ago in Congress of the authorizing legislation.

I would hope that this facility would be allowed to move ahead because it is very badly needed. The old station is not only in great disrepair, but it is also very obnoxious to the citizens of Clifton, as I am told, to have it continue to function there, since they have completed the plans and the financing and all other arrangements for the construction of their new civic center there.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HRUSKA. Mr. President, to supplement this—and I know that the Senator will take the matter into consideration and see that it is fully understood—there was a public law passed in 1964 authorizing the sale of the area presently used for this laboratory in the city of Clifton. That sale was authorized and a sale contract was executed on December 16, 1966, with \$100,000 being paid down by the city. The balance of \$426,000 was to be paid in fiscal year 1970 under the terms of the contract. The project has been duly authorized, planned, and designed and the progress must go ahead at this time.

So, had timely objection been raised, perhaps the matter could have been better disposed of. However, at this late hour it is very difficult, it seems to me, to back up, because the U.S. Government has disposed of its present location and needs another location.

Mr. JAVITS. Mr. President, I did not mean to detain the Senate. I thought that the Senator was apprised of the fact that another department of the Government is now proposing to put a park in the site. However, I think under the circumstances, now that I know the intention of the Committee on Appropriations that there shall be this construction on the site, I suggest we pass the matter over.

Mr. HRUSKA. We were aware of that fact. However, the laboratory takes only a part of the area involved and in such a way that it would not be inconsistent with the development of a park tract. I do believe that the Senator upon consideration and full information will see that there is no conflict.

Mr. JAVITS. Mr. President, I have no

desire whatever to do anything except what will facilitate the proper course of action, but I would appreciate it, now that I understand the situation, if these two amendments were passed over.

Mr. HOLLAND. I am very glad to do that, with this understand. The whole Fort Tilden Reservation contains 311 acres. The area sought to be taken for an animal quarantine laboratory is only 27 acres. This leaves the largest part of the tract available for the use which the Senator from New York has mentioned; that is, for use as a public park. While I have no information about negotiations between the Department of the Interior and the Department of Defense, I am told that there is great interest in setting up a park there and that that could be done under this program without any question whatsoever.

Mr. JAVITS. Let me examine into this in the next day or two. In the meantime, I ask that the amendments be passed over.

Mr. HOLLAND. I ask that that be done.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated July 1, 1969, from Mr. Ned D. Bayley, of the Department of Agriculture, to Mr. Raymond L. Schafer, the head of our staff.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 1, 1969.

Mr. RAYMOND L. SCHAFER,
Professional Staff Member,
Appropriations Committee,
U.S. Senate.

DEAR Mr. SCHAFER: The information you requested on status proposed animal quarantine station relocation site, Fort Tilden, New York, is as follows:

1. *Status of Land Transfer to Agriculture from Defense.*

Defense has excessed approximately 27 acres of land to GSA for transfer to Agriculture. GSA now making appraisal property, which is last step before processing through Central Office, GSA, and Budget Bureau to complete transfer. Fort Tilden site was selected after detailed review of several possible locations.

2. *Status of Building Design.*

All criteria for new facility completed. Architectural design not yet started; being held pending Congressional authorization to construct. Approximately 40 weeks would be required to complete design and advertise.

3. Agriculture wants to cooperate with Interior in fully utilizing the entire Fort Tilden reservation. We are of the opinion that our animal quarantine operation would be compatible with other use. The Department of Interior does not concur in this opinion.

4. The Department of Interior would like to use the entire area as a recreation center and related supporting facilities.

5. If Agriculture not permitted to utilize Fort Tilden site, it will be necessary to again make survey for suitable site, which would delay construction of the new facility a minimum of two years.

NED D. BAYLEY.

Mr. HOLLAND. Mr. President, I also ask unanimous consent that the justification of this item, appearing on page 24 of the Department's justification, be printed in the RECORD.

There being no objection, the justification was ordered to be printed in the RECORD, as follows:

(f) *An increase of \$2,000,000 for construction of animal quarantine facilities*

Federal laws and regulations require the quarantine of all imported wild and domestic animals, including poultry, upon arrival in this country. Public Law 88-592, approved September 12, 1964, authorizes the sale of the Department's animal quarantine facility at Clifton, New Jersey, to the city of Clifton for public purposes and the establishment of a new quarantine station in the New York-New Jersey port and airport area.

The new quarantine station should be located where most imports arrive. About 85 percent of the animals and birds arrive by air. Several sites for the new station in the New York-New Jersey port and airport area were investigated, including Federal lands. The Department considers Ft. Tilden, New York to be the best location. On August 3, 1967, the House Armed Services Subcommittee on Real Estate approved a request from the Department of Army to release approximately 30 of the 310 acres of land in Fort Tilden for transfer to the Department of Agriculture. As required by P.L. 88-592, the Secretary of Agriculture advised the Chairman of the Committee on Agriculture of the House of Representatives and the Chairman of the Committee on Agriculture and Forestry of the Senate in a letter dated August 12, 1968, of the facts concerning the proposed site.

The Act provides that the city of Clifton pay to the Department the appraised value of the present property and provides for it not being vacated and surrendered until the new station is ready for operation and the present quarantine functions moved to the new station. The property was appraised at \$526,600 and a sales contract executed on December 16, 1966. During fiscal year 1969 approximately \$100,000 is available for the development of design and construction plans. The balance (\$426,600) is expected to be paid to the Department in fiscal year 1970 which will be used with this proposed increase of \$2,000,000 for construction costs of the new animal quarantine facilities.

The proposed increase is required for the construction of new facilities at least equal in capacity to those now existing at the Clifton station. The facilities would include 16 structures consisting of 128 quarantine stalls for animals and birds, and 6 service buildings as follows:

	Square feet
Laboratory-office building-----	4,000
Receiving center-----	7,000
Cleaning and disinfecting facility----	300
Release building-----	250
Feed and storage building-----	750
Equipment shed-----	2,500
Total square feet-----	14,800

The new quarantine station would include incineration equipment for safe disposition of animals and birds that die or must be destroyed while in quarantine and the disposition of manure and other potentially dangerous wastes. It would also include a pre-quarantine receiving and inspection area with dipping vat and spraying equipment for treatments against exotic external parasites.

THE PRESIDING OFFICER. The next amendment will be stated.

The next amendment was on page 6, line 4, after "(7 U.S.C. 1704(b) (1), (3))", strike out "\$4,500,000" and insert "\$5,500,000".

THE PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. HOLLAND. I move that the vote by which the amendment was agreed to be reconsidered.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 6, line 21, after the word "including", strike out "\$53,854,000" and insert "\$55,189,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 7, line 3, after "(16 U.S.C. 582a-582a-7)", strike out "\$2,000,000" and insert "\$2,150,000";.

The amendment was agreed to.

Mr. HOLLAND. I move that the vote by which the amendment was agreed to be reconsidered.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was in line 7, after the word "research", strike out the semicolon and "\$1,000,000 for grants for facilities under the Act approved July 22, 1963 (7 U.S.C. 390-390k)".

The amendment was agreed to.

Mr. HOLLAND. I move that the vote by which the amendment was agreed to be reconsidered.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was in line 11, after the word "and", strike out "\$376,000" and insert "\$426,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was in line 17, after the word "all", strike out "\$61,175,000" and insert "\$61,710,000".

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 7, line 25, after the word "Act", strike out "\$82,006,000" and insert "\$83,621,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 8, at the beginning of line 8, strike out "\$375,000" and insert "\$500,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 8, line 8, after the word "all", strike out "\$112,391,000" and insert "\$114,131,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 8, line 18, after the word "employees", strike out "\$10,000,000" and insert "\$10,240,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 9, line 5, after the word "possessions", strike out "\$3,338,000" and insert "\$3,838,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 9, line 12, after "(7 U.S.C. 1621-1627)", strike out "\$1,500,000" and insert "\$1,635,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 11, line 21, after the word "expended", strike out "\$6,209,000" and insert "\$5,000,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 12, line 13, after the word "expended", strike out "\$57,873,000" and insert "\$63,873,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was in line 21, after the word "That", strike out "\$3,000,000" and insert "\$5,000,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 14, at the beginning of line 8, strike out "\$7,452,000" and insert "\$10,252,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was in line 12, after the word "That", strike out "\$1,500,000" and insert "\$3,300,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 15, line 18, after the word "products", strike out "\$13,450,000" and insert "\$13,562,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 16, line 18, after the word "laws", strike out "\$14,950,000" and insert "\$16,375,600".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 17, at the beginning of line 17, strike out "\$130,867,000" and insert "\$134,695,500".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 19, line 7, strike out "\$340,000,000" and insert "\$750,000,000".

Mr. JAVITS. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Will the bill remain open to amendment as to the figures set forth on page 18 from line 7 to line 24, inclusive?

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HOLLAND. After the committee amendments have been disposed of, my understanding is that independent amendments may be offered.

The PRESIDING OFFICER (Mr. PACKWOOD in the chair). All parts of the bill except those amendments that are agreed to will be open to amendment.

Mr. JAVITS. I thank the Chair. The only reason I raised the question is that provisos are printed in italic. I understand that they are not amendments. I wanted to be certain.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. I would greatly appreciate it if the Senator would pass over the consideration of the amendment on page 19, line 7; the amendment on page 19, lines 8 to 12, inclusive; the amendment on page 20, lines 17 to 20, inclusive; the amendment on page 20, line 20, and on page 21, line 2, inclusive.

Mr. HOLLAND. I shall be glad to pass over any amendment the Senator wishes to have passed over. I call his attention to the fact that as to the first amendment he mentioned, we have placed in the bill the largest amount—

Mr. JAVITS. I agree with the Senator. I will ask that that amendment not be passed over.

Mr. HOLLAND. That is not be passed over.

Mr. JAVITS. Unless some other Senator desires that it be passed over.

The amendment on page 19, line 7, to strike "\$340,000,000" and insert "\$750,000,000" was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLAND. I understand that the distinguished Senator from New York has asked that the next amendment, covering the special milk program, from line 8 to 12, inclusive, on page 19, be passed over.

I am glad to follow that course.

I understand also that he has requested that the two amendments appearing at the bottom of page 20, beginning with the word "and (c) milk," and extending through the first two lines in line 21, be passed over. I am glad to follow that course.

The PRESIDING OFFICER. That is the understanding of the Chair, also. Those amendments will be passed over.

The next amendment will be stated.

The next amendment was on page 21, line 13, after "(7 U.S.C. 1766)", strike out "\$22,937,000" and insert "\$23,937,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 22, line 5, after "(7 U.S.C. 1-17a)", strike out "\$2,100,000" and insert "\$2,321,000".

The amendment was agreed to.

Mr. HOLLAND. I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was on page 22, line 20, after the word "Corporation", strike out "\$147,420,000" and insert "\$146,000,000".

Mr. HOLLAND. Mr. President, the next amendment which starts with the words "Provided further" on line 14, page 23, down through line 19 on that page, is an amendment which I have been requested to pass over by the distinguished senior Senator from Delaware (Mr. WILLIAMS), who was detained on other Senate business.

I ask unanimous consent that the amendment to which I have just referred be passed over at this time.

The PRESIDING OFFICER (Mr. PACKWOOD in the chair). Without objection, the amendment will be passed over.

The next amendment was on page 23, the beginning of line 23, strike out "\$89,500,000" and insert "\$93,000,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 25, line 7, after the word "to", strike out "\$195,500,000" and insert "\$185,000,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 27, line 4, after "(7 U.S.C. 1838)", strike out "\$78,000,000" and insert "\$78,600,000"; and, in line 5, after the amendment just above stated, strike out "Provided, That no additional agreements are authorized for fiscal year 1970" and insert "Provided, That agreements entered into during the fiscal year 1970 shall not require payments during the calendar year 1970 exceeding \$99,300,000".

The amendment was agreed to.

Mr. HOLLAND. I move to reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 27, at the beginning of line 16, strike out "\$37,500,000" and insert "\$37,250,000".

The amendment was agreed to.

Mr. HOLLAND. I move to reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 29, line 2, after "5 U.S.C. 3109", strike out "\$13,389,000" and insert "\$13,925,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 29, line 9, after "5 U.S.C. 3109", strike out "\$3,200,000" and insert "\$3,509,300".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 29, line 14, after the word "service", strike out "\$5,000,000" and insert "\$5,459,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 30, line 18, after the word "Library", strike out "\$3,200,000" and insert "\$3,226,750".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 31, line 6, after the word "Agriculture", strike out "\$3,000,000" and insert "\$3,050,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 32, at the beginning of line 16, strike out "\$320,000,000" and insert "\$340,000,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 33, line 9, after the word "loans", strike out "\$83,000,000" and insert "\$69,600,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 34, line 4, after "(7 U.S.C. 1926)", strike out "\$40,000,000" and insert "\$46,000,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 34, line 10, after "(42 U.S.C. 1486)", strike out "\$1,250,000" and insert "\$3,700,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 34, line 14, after "(42 U.S.C. 1490c)", strike out "\$1,250,000" and insert "\$2,000,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 34, line 19, after the word "advances", strike out "\$600,000" and insert "\$1,000,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 35, line 7, after "(40 U.S.C. 461)", strike out "\$65,000,000" and insert "\$67,500,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 37, line 1, after "1968", strike out "\$2,698,217,859" and insert "\$2,948,217,859"; and, at the beginning of line 2, strike out "\$4,965,934,000" and insert "\$5,215,934,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 37, line 14, after the word "exceed", strike out "\$31,500,000" and insert "\$32,000,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 38, line 17, after the word "Act", strike out "\$400,000,000" and insert "\$420,000,000"; and, in line 20, after the word "Act", strike out "\$500,000,000" and insert "\$515,000,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 39, line 1, after "(7 U.S.C. 1856)", strike out "\$750,000" and insert "\$1,250,000".

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to consider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The next amendment was, on page 39, line 14, after the word "and", strike out "thirty (530)" and insert "sixty-six (566)".

Mr. HOLLAND. Mr. President, I believe that completes action on the committee amendments, except those we passed over. I thank the Presiding Officer for his patience, and I thank the distinguished Senator from Nebraska for his cooperation.

Mr. MONDALE. Mr. President, on May 7, 1969, I wrote to the Secretary of Agriculture, Clifford M. Hardin, and asked him a series of questions concerning discrimination in the Department of Agriculture and in the administration of its programs. These same questions were also submitted to the Department with a number of other questions by the Select Committee on Nutrition and Human Needs on May 27, 1969; the committee asked the Department to reply by June 18, 1969.

It is now July 1, and neither the committee nor I have received any response from Secretary Hardin or the Department of Agriculture.

Since we are now considering Agricultural appropriations for fiscal 1970, I think it important to raise this matter. Before approving billions of dollars of appropriations, the Senate should address itself to the Department of Agriculture's civil rights record—a record which raises serious questions as to whether the Department has complied with title VI of the Civil Rights Act of 1964 and Executive orders aimed at preventing discrimination by Federal agencies and by Government contractors.

The following findings by one official indicate that the Department's performance in enforcing title VI may well be worse than that of any other agency of the Federal Government. After expressing "concern as to the adequacy and effectiveness of the past efforts of the Department of Agriculture to achieve equal opportunity in its programs," this official stated:

Patterns of violations of Title VI and of the Department of Agriculture's implementing regulations persist. For example, audits of six state cooperative extension services conducted by the Office of the Inspector General of your Department revealed substantial and widespread noncompliance with civil rights requirements in each of these states. . . . An earlier publication of the Civil Rights Commission, *Cycle to Nowhere* (1968), states (p. 22) that in Alabama and

elsewhere in the South the practice of assigning extension workers on the basis of race is widespread. Since there are proportionally fewer Negro extension agents, that practice means that Negro farmers do not receive a fair and adequate share of the services provided. Thus, even apart from being a flagrant violation of law, this practice denies Negroes the opportunity to improve their farming methods and economic status. The evidence available to this Department suggests that the conditions found by your investigations are widespread and continuing.

Despite the evidence of these widespread violations of law disclosed by your Department's investigations, I am not aware of any meaningful action which has been taken to correct the situation. The failure of state extension services to achieve their full potential with respect to serving members of minority groups could aggravate such problems as migration from rural to urban areas and the inability of families to provide adequate diets. Conversely, meaningful enforcement of Title VI in regard to the cooperative extension services and other programs of your Department could contribute to your effort to alleviate hunger and rural poverty.

This is not a partisan matter. These complaints are contained in a letter from Attorney General John Mitchell to Secretary Hardin, dated April 16, 1969. The Attorney General's letter stems from his responsibilities to coordinate the title VI enforcement programs of all Federal agencies under Executive Order 11247; his criticisms were based on a U.S. Civil Rights Commission study of USDA's implementation of title VI.

The Attorney General also recommended to Secretary Hardin specific proposals in four general areas to improve the civil rights compliance program of the Department of Agriculture. They related to organization of title VI enforcement, functioning of the Equal Opportunity Office, program impact, and racial data collection.

For example, the Attorney General recommended that USDA create a centralized office for civil rights enforcement; that it "adopt methods for making certain that equal opportunity requirements are effectively translated into increased delivery of services to eligible minority group beneficiaries who presently may not be receiving their fair and intended share of Department of Agriculture assistance"; and that it establish a comprehensive racial data collection system that would provide the facts upon which a meaningful compliance review can be based.

I have no idea whether or not Secretary Hardin intends to carry out any of the Attorney General's recommendations. If he has responded to the Attorney General's April 16 letter, this response should be made public.

Regardless of whether he has answered the Attorney General, I again ask Secretary Hardin to inform me and those of you who share my concern for the full and effective enforcement of title VI of his program for remedying the deficiencies which have existed in the past and continue to exist. Does he intend to adopt the recommendations of the Attorney General or does he have a different plan of action? I think that we are entitled to an answer.

In a letter to Representative EDWARDS of California on May 21, 1969, Secretary Hardin expressed his personal determination to eliminate discrimination and stated that the Department was requesting an additional \$250,000 for civil rights enforcement in fiscal 1970. But his letter failed to specify the steps he intended to take to eliminate these discriminatory practices and made no reference to the Attorney General's recommendations.

I am pleased to note that the committee has approved the additional \$250,000 for civil rights activities in fiscal 1970. And while I am ready to vote for whatever additional funds the Department needs for such activities, the Secretary has yet to define how he intends to improve the Department's civil rights program. It is clear that present enforcement efforts have been completely inadequate. Unless the Secretary significantly reforms this enforcement program, his good intentions are irrelevant.

This is a very serious matter. At a time when we are faced with grave domestic problems and when too many Americans no longer have faith in the ability of Government to remedy their grievances, it is absolutely essential that the Federal Government eliminate all vestiges of discrimination—whether in the implementation of its programs or in its dealings with private contractors.

I therefore urge Secretary Hardin to tell us specifically what steps he intends to take to improve the dismal civil rights record of his Department. He should do so before we act to appropriate funds for USDA programs. We should be confident that the Department is implementing procedures to insure that these funds will not be used in a discriminatory manner and in violation of the law.

Mr. President, I ask unanimous consent that the questions which I submitted to Secretary Hardin on May 7, 1969, be inserted in the record at this point:

For those interested in examining the report of the Civil Rights Commission on USDA's enforcement of title VI, it is reprinted in the RECORD of May 22, 1969, at H4038.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUESTIONS SUBMITTED TO SECRETARY HARDIN
ON MAY 7, 1969

1. As Attorney General Mitchell observed in a letter to you on April 16, 1969, which he based on a July, 1968 report from the U.S. Civil Rights Commission titled *The Mechanism for Implementing and Enforcing Title VI of the Civil Rights Act of 1964*, "meaningful enforcement of Title VI (by USDA) in regard to the Cooperative Extension Service and other programs of your department could contribute to your effort to alleviate hunger and rural poverty."

The Attorney General also expressed to you his concern as to the adequacy and effectiveness of the Department's civil rights enforcement program.

What are your plans for assuring non-discrimination under Title VI in the Department's Extension Services, where the Department itself has documented such discriminatory practices as assigning extension workers on the basis of race? (Since there are far fewer Negro extension agents, this practice means that Negro farmers do not receive

a fair and adequate share of the services provided.)

What action will be taken to upgrade the civil service ratings of Negro Extension Agents who, with more education than some of their white counterparts, presently hold lower GS ratings than some white extension agents?

2. Who in the Department has direct charge of negotiating civil rights compliance plans for the State Extension Services?

3. It is my understanding that under consideration in the Department is the transfer of Title VI enforcement in the Extension Service to HEW. Is such a plan under consideration, and if so, would you submit a copy of the plan to the Committee?

4. Attorney General Mitchell's letter of April 16 endorses the Civil Rights Commission recommendation that USDA's present office of civil rights compliance, now headed by an assistant to the Secretary, be replaced by a centralized equal opportunity office, directly responsible to the Secretary, similar to that in operation at HEW. Do you plan to implement this recommendation by the Civil Rights Commission?

5. It is my understanding that new members to State ASCS Committees have been named in several States. Please submit a list of those named since January 20, and their race.

6. On page 4 of the July U.S. Civil Rights Commission Report are listed various audits by the USDA Inspector General bearing directly on civil rights compliance by the agencies directly responsible for nutrition and nutrition education, the Consumer and Marketing Service and the Federal Extension and State Extension Services, and other USDA agencies. I ask you to make these reports available to the Committee. They are:

USDA-OIG Audit of Civil Rights Activities in the Federal Extension Service, 6041-6-h; Forest Service, 6041-7-h; Agricultural Stabilization and Conservation Service, 6041-4-h; Consumer and Marketing Service, 60415-H; and six Cooperative State Extension Services (6065-17T; 6065-17-A; 6065-1-T; 6065-1-A; 6065-26-T; and 6065-20-W).

7. From the inception of its loan program for rural outdoor recreational facilities, through May 1968, the Farmers Home Administration, USDA, made loans to racially segregated golf and country clubs. In May 1968, the Attorney General ruled that such loans were subject to Title VI of the Civil Rights Act. Will this rule be applied retroactively to FHA loans made to segregated clubs before the May 1968 ruling?

SUBSIDY PAYMENTS

Mr. FANNIN. Mr. President, the American system of government created by our Constitution embodies many significant departures from the habits and customs of Europe and the Old World.

In the first 150 years of the life of the Republic the contrast between our system and the old system was particularly noticeable in the area of the relationship established between the economic community and the governmental institutions. We avoided Government-approved or Government-sponsored business cartels. With few exceptions the business community operated and prospered without assistance or subsidy from the Government.

During that period in the 19th century when the Nation was expanding westward the Government did make available certain land areas to the railroad builders and free public land to the homesteaders. And some observers of our history have severely criticized both of these intrusions by Government into the private economic sector, as examples of unwarranted favoritism.

We all remember that in the initial phase of the development of an air transport system the airlines were subsidized through contracts to carry the Government mail. The major air carriers have now outgrown the need for this help. We know that the shipbuilding industry is continuing to receive governmental assistance, that industries expanding to meet national defense needs are given an advantage over those plants and factories devoted entirely to producing for the civilian markets.

Commencing in the early 1930's the Federal Government embarked on a policy of subsidies purportedly designed to preserve the economic position and the independence of the American farmer.

Billions of dollars of public money have been employed in this century in an effort by Government to support particular sections of the economy. These programs have not been notably successful. The taxpayer resents paying subsidies—and the recipient resents the governmental restrictions and controls that invariably accompany governmental subsidies.

Responsible representatives of the agricultural section are convinced that the present program is wasteful, that it has on balance been a failure, and that American agriculture today should be returned to a free market.

I agree with that conclusion, but I must emphasize that for almost 40 years we have used the power of Government regulation and Government subsidy to inhibit the American farmer.

It has taken us 40 years to arrive at the situation which now confronts us, and in returning the farmer to the free market we must proceed with caution. To end the farm subsidy program tomorrow, or next year, would create chaos, and would inflict grave injury on American agriculture. But our first step must be to declare unequivocally that it is our aspiration and our intention to move gradually over a specified number of years to eliminate the inhibiting controls, end the subsidies, and to reestablish the American farmer as an independent member of the free market, free enterprise system.

We all have nostalgic memories of the family farm. Thirty-five years ago there were 32 million Americans, 25 percent of our population, living on farms. They were having a difficult time to make ends meet. The technological developments were threatening to overwhelm them, so the Government commenced its program of subsidy—to make it possible for the family farmer to survive as a viable economic unit.

Today there are only about 10 million of our people living on farms. This amounts to 5 percent of our present population.

Farms have become mechanized. Farming has become a scientific, single product operation, and no longer does the subsistence aspect attract the farmer. The family cow and the family pigs and the family garden have all given way to the industrialized farm supervised by graduates in agriculture and horticulture and supported by scien-

tists and the new fertilizers and the new seeds.

As the result of these improvements, the number of individual farms has dropped from 6.6 million to less than 3 million, but our agricultural output has almost doubled, and no nation on earth has a better record for producing the feed and fiber necessary to support its population.

Farm employment has declined from 12 million to under 5 million. Fifteen percent of the Nation's farms today produce 70 percent of the Nation's farm output.

The American farmer is ready to take his place in our highly technological, industrialized economic system. But he is hampered and inhibited by Government controls and seduced by the promises of Government largess. And for all his progress, and all his devotion, and all of the new skills he brings to his appointed task, the farmer today does not enjoy an income comparable to the incomes earned in industry or business or the professions.

Mr. Charles B. Shuman, president of the American Farm Bureau Federation, on April 3, of this year outlined his position on the major provisions of the Agricultural Act of 1965:

Farm Bureau vigorously opposed the major provisions of the 1965 Act. Our members are even more convinced today that the programs authorized by this Act are not in the long-time best interests of producers, consumers, or taxpayers.

Briefly, our principal reasons for opposing these programs are as follows:

(1) Government supply-management has not worked.

(2) Government-owned stocks are bad for farmers.

(3) The operation of government supply-management programs depends on political decisions.

(4) These programs make farmers dependent on government payments for a substantial part of their net incomes.

(5) Government supply-management programs create pressures for international commodity agreements.

I have consulted with farm leaders here in my own State and in the Nation. I have found general agreement that the bill introduced by Senator EVERETT DIRKSEN is a step in the right direction—a beginning on a slow, carefully thought out program to free the American farmer, to ultimately end the subsidies, and to restore agriculture to a competitive position in the free markets of the world.

The purpose of that bill is clearly spelled out.

First, to increase per family farm income.

Second, to bring the supplies of cotton, wheat and feed grains and soybeans into line with current demands.

Third, to decrease the public costs of maintaining farm programs.

I am supporting this legislation and intend to do whatever is necessary to ultimately end the waste of subsidy, and to strengthen the market for agricultural products so that our farmers can produce the abundance we need and receive a fair return on their labor, their capital, and their skills.

LIMITATION ON AGRICULTURAL PAYMENTS

Mr. INOUE. Mr. President, I rise today in opposition to the proposal to limit the amount of agricultural payments any one producer can receive. While this amendment does not in its present form apply to sugar, I am certain that should this move be successful, as it has been on the House side, attempts will surely be made to include the sugar under this payments limitation either this year or next year. I do not believe I am exaggerating to say that should such an amendment limiting sugar payments be adopted, it would destroy the sugar industry in my State and have an extremely disastrous effect on Hawaii's economy. The sugar industry is one of the most important income-producing industries in Hawaii.

At the present time, the sugar industry in Hawaii employs approximately 11,300 persons on a year-round basis, with an annual payroll of \$71.7 million including the cost of benefits making them the highest paid agricultural workers in the world. I believe these figures alone adequately explain the effects this payments limitation would have on the economy of our small State.

It is expected that the application of such a payments limitation amendment could lead to very desperate times for the industry in Hawaii. Not only would some sugar plantations go out of business, but at the present time, there is no alternative use possible for most of the sugar lands. Only a very small fraction of the land could be used on an income-producing basis.

My opposition to the payments limitation is based on the unique nature of the present sugar program administered by the Federal Government. In 1934, the Congress enacted the Jones-Costigan Sugar Act. The essential features of the sugar program as it exists today are based on the 1934 act. At that time the Congress did not believe that it had the constitutional power to directly regulate the sugar production; however, it was acknowledged that the Congress had the power to tax. Therefore, a plan was devised which would tax the sugar industry for every hundred pounds of sugar produced. The major part of the revenue raised in this manner would then be returned to the producer who complied with the certain regulations such as to limit the crop to a particular quota for an area; employed no child labor; paid a minimum wage established by the Department of Agriculture. Thus, the sugar payments paid to producers are not a subsidy, but rather a refund of the taxes the producer pays, as long as he complies with certain prescribed regulations. Therefore, the sugar program as it was first established was merely a device to regulate the production of sugar since the Congress was in doubt as to its power to limit production. While the doubts as to the constitutionality of regulating agricultural production have been allayed; the form of the sugar program had not changed.

The compliance payments a producer can receive start at \$16 a ton and de-

crease to \$6 a ton with an increasing volume of production. Since most of Hawaii's sugar production is grown on large farms, these producers receive less in payments than they pay in taxes. Last year according to figures compiled by the Department of Agriculture Sugar Act payments to producers in the State of Hawaii amounted to \$10,861,000, while the excise tax paid by Hawaii farms amounted to \$12,321,820. Therefore, Hawaii producers pay more in taxes than they received in compliance payments. Granted the lower payments are basically a result of the large farms in Hawaii. However, the high cost of production and marketing make necessary the economies resulting from large modern farm operations. Hawaii's closest market is 2,400 miles away on the west coast and most of Hawaii's sugar is also refined there. In addition, much of Hawaii's land is mountainous and unsuitable for cultivation. Therefore, a large portion of the land planted in sugarcane must be irrigated—a very costly process. The modern equipment and machinery necessary to keep this product competitive with mainland beet sugar are also extremely expensive, thus making it most difficult for small farms to survive.

The excise tax collection from sugar producers goes into the general fund of our Treasury and it is interesting to note that since the sugar program began these taxes have exceeded producer payments by \$594.9 million. Therefore, I submit that the sugar program is a self-supporting one and clearly distinguished from other agricultural programs currently administered by the Federal Government.

I, therefore, urge that the payments limitation amendment be defeated and at the very least that sugar be excluded from its coverage for the reasons stated above. However, should this amendment be accepted and it include sugar, I intend to call up my amendment to revise the present Sugar Act. This act is a comprehensive scheme of economic regulation. It is a balanced whole. Should a \$20,000 payments limitation be voted, the sugar producers would still be required to pay the excise tax. Producers in my State would pay approximately \$12 million and receive only \$1,639,000 in return. To change the amount of compliance payments while not abolishing the excise taxes would work an undue and unjust hardship on the sugar industry. No other agricultural industry pays such taxes and I believe that no other farm program can claim to be self-supporting. Therefore, I am today submitting such an amendment to remove the excise taxes, if a payment limitation for sugar is enacted. To me, this is the very least that should be done.

In closing, I would like to summarize the reasons for my opposition to the payments limitation. Other States would also be severely hurt economically by a payments limitation. However, I submit that it would be particularly damaging to Hawaii, because of its geographic position and the reliance of our State's whole economy on sugar production. Second,

the sugar program as presently devised is a self-supporting program with the payment of excise taxes and the return of a portion of these taxes as compliance payments. These payments are not subsidies, but are payments made to producers for complying with certain regulations.

AGRICULTURAL CONSERVATION PROGRAM

Mr. PERCY. Mr. President, I am in support of the agricultural conservation program for 1970—just as I support the future of America and the wise use of all her resources.

The ACP program performs a valuable function precisely at a time when conservation, pollution, and environmental questions are at a historic high point in terms of public interest and concern. The ACP program gives farmers and ranchers the incentive and the ability to embark on conservation work. We need to do more conservation work on our land and water resources. Proposals earlier this year to cut out all funds for the ACP in fiscal 1970 would have postponed conservation treatment of our land and water. This would have increased the ultimate cost and at the same time added to the costs which the public suffers from sediment and other pollutants resulting from inadequate treatment of the land on farms and ranches.

I am pleased to see that the Senate Agriculture and Forestry Committee has restored the ACP program to the level of \$185 million. This is not as high as the \$220 million authorization level of the past 14 years, but we must also face up to the fiscal realities of this country and reduce budgets where possible to help curb inflation. But at least the value of this program has been recognized again and its valuable work can be continued.

THE NEED FOR IMPROVEMENTS IN THE HOG CHOLERA ERADICATION PROGRAM

Mr. BAYH. Mr. President, the distinguished Senator from Florida (Mr. HOLLAND), I am sure, has many requests for additional funds. I know that he weighs each one of the measures with great care.

I have corresponded with him on one occasion concerning the need to make improvements in the hog cholera eradication program, improvements designed to assist the average farmer whose herd is condemned in an attempt to prevent spreading.

Mr. President, the Federal Register for May 24, 1969, carried a final notice that effective today, July 1, 1969, the modified live vaccine could no longer be shipped in interstate commerce. The modified live vaccine for many years the most potent weapon in the farmers' fight against hog cholera, was found by Department of Agriculture officials, in a number of cases, to actually be the cause of the dreaded disease.

In an effort to meet the 1972 deadline for the complete elimination of hog cholera, as called for in the Hog Cholera Eradication Act of 1961, the Agricultural Research Service has acted to speed up the four-phase eradication program. The emphasis, in all States, will now be on the immediate and complete depopulation of infected and exposed herds, accompanied by a Federal-State in-

demnity payment to the owner. The indemnity payment is based on a 50-50 Federal-State cost sharing formula that is designed to compensate the owner for the true value of the animal. The cost sharing responsibilities permit the States to maintain an important regulatory function within the overall cooperative effort.

My interest in this little noticed, but very significant change stems from my own farm background and from the fact that Indiana is one of the leading agricultural States in the Nation. The swine industry contributes over \$1 billion annually to Indiana's economy and the present market value of our swine population is upward of \$450 million. In addition, Indiana is a large importer of feeder pigs, with approximately 823,000 feeders shipped into the State last year. This particular aspect of our swine industry, not characteristic of other States, poses a number of complications for our eradication program. Despite these difficulties, Indiana, in cooperation with the Agricultural Research Service of the Department of Agriculture, has met its obligations under the eradication program.

The Department of Agriculture's initial proposals to discontinue the use of the vaccine, published in November 1966, and again in April 1969, naturally occasioned a great deal of interest in Indiana. In view of the favorable experiences many Indiana farmers have had with the modified live vaccine over the years, there was legitimate concern about the effect of this changeover, from reliance on the vaccine to depopulation. As many a Hoosier farmer pointed out, even an indemnity payment based on the full market value of the swine could never really replace the slaughtered animal. Furthermore, under proposed changes it is not merely the infected swine that may be slaughtered, but all so-called "exposed" hogs.

In an effort to learn, firsthand, what Hoosier farmers thought about the eradication program and what they thought needed to be done to improve it, I have met and talked with a number of pork producers in Indiana the last few months. As a result of discussions with those most affected by the proposed elimination of the vaccine, in April I wrote to Senator HOLLAND, chairman of the Agricultural Appropriations Subcommittee recommending an additional \$750,000 for indemnity payments and a serum stockpile. Further, I proposed a revision in the Federal-State cost-sharing formula, calling for increased Federal payments in the indemnity program. Earlier, at a USDA administrative hearing, I had pointed out that for many classes of breeding swine and purebreds, the indemnification figure was much too low.

Recently, Department of Agriculture officials uncovered isolated cases of cholera in a few herds in Carroll and Cass Counties, Ind. In accordance with the guidelines set out in the eradication program, the complete depopulation of three herds was ordered and 5,800 feeder pigs were slaughtered in an effort to eliminate the disease. This incident has brought into focus some of the problem areas likely to plague farmers whose States are

now entering the final phases of the eradication program. I am hopeful that we can make the necessary improvements.

In an attempt to evaluate our recent experiences in Indiana and to determine what needs to be done not merely to meet a 1972 deadline but to insure that the farmer and the consumer is adequately protected, I met with officials of the Agricultural Research Service yesterday. As a result of our rather lengthy discussions, a consensus emerged on the need to strengthen and update the indemnification aspects of the program and to provide stricter administration over interstate shipments so that States that are doing the job are not victimized by other States that are less determined in their efforts to eradicate cholera.

In the area of indemnity payments, it was agreed that an immediate overhaul in the level of payments was necessary. Under present Federal regulations, the Department of Agriculture will not pay more than \$50 for a purebred swine. Add to that a State matching payment and the maximum indemnification is \$100. Needless to say, in many cases of purebreds, \$100 is woefully inadequate. As a result of our discussion yesterday, I believe a more equitable indemnity formula will be forthcoming, one that would permit the Federal Government to pay up to \$100 for a purebred, raising the maximum indemnification total to \$200. A similar upward adjustment in the indemnity for commercial sows is also necessary. I am hopeful that the Department will accept our suggestions, based upon information developed by Purdue University animal husbandry experts, to increase the maximum indemnification payment for grade animals to \$100. Based upon current market prices, these increases are easily justifiable and are necessary if a relatively few individual farmers are not to bear the full burden of this program.

As I pointed out to Department officials yesterday, most of the cholera cases in Indiana—and to date these have been only 21 in 1969—have been of out-of-State origin. Of the 21 cases, 20 have been imported into the State, resulting in State indemnity payments totaling \$288,000. In comparison, one case was of Indiana origin and a \$1,000 indemnity payment was made to the owner. In an effort to relieve Indiana and other concerned States that have adequate programs from financial burden imposed by States that do not maintain adequate policing of hog shipments, the Department agreed to try to implement a program in which the Federal Government would bear 100 percent of the indemnity payment in those cases where cholera was contracted during interstate shipment. In addition, they agreed to try to implement my proposal that in cases where shipments into a State are quarantined for 21 days, these shipments are, in effect, still in interstate commerce, the Federal Government will bear 100 percent of the indemnity payment for any cholera cases found in that group within the quarantine period.

A final point raised was the need for the Federal Government to temporarily

assume the full burden of the indemnity payment in cases where the State may have exhausted all of its appropriated indemnity funds. The Department representatives stated that this could be done on the basis of the State's willingness to cover its share by future appropriations. The object being, of course, that the farmer receive the full indemnity as soon as possible. This approach has worked in other animal disease control programs involving indemnities. There is no reason to believe it cannot work in the hog cholera eradication program.

Based upon the mutual agreements reached yesterday, I have decided to withhold the introduction of legislation, already drafted, to revise the Federal-State cost-sharing formula. I am convinced that if the Department of Agriculture, acting under its own authority, implements the suggested improvements I have outlined, the eradication program will be strengthened to the point where farmer cooperation will make the 1972 deadline a reality.

As I said before, I do not intend, at this time, to introduce the legislation which I have had prepared for some weeks. Hopefully, we can work with the distinguished Senator from Florida and the Agriculture Appropriations Subcommittee, and with the Department of Agriculture to make these necessary improvements through departmental regulation.

Mr. HOLLAND. Mr. President, I understand that as far as this bill is concerned, we are ready to discontinue action on the bill until next Monday when action will be taken and perhaps roll-call votes called for on some or all of the amendments we passed over.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The following proceedings, which occurred during the consideration of the agriculture appropriation bill, are printed in the RECORD at this point by unanimous consent.)

S. 2524—INTRODUCTION OF A BILL TO PROVIDE FARM SUBSIDIES

Mr. DIRKSEN. Mr. President, my purpose in rising today is to introduce a new farm bill. The distinguished Senator from Florida has already intimated that the Secretary of Agriculture believes that legislation is needed, that other State legislation is needed, and perchance the President and the administration generally feel likewise. I took the liberty this morning, in the course of the White House conference, to acquaint the President with the fact that I proposed to introduce this bill today.

Mr. President, it is obvious to everyone that our present farm program needs to be changed.

Farmers are unhappy with the 1965 Farm Act and want a change after the

program expired at the end of 1970. With cotton prices to farmers at only 42 percent of parity, wheat prices at only 46 percent of parity, grain sorghum prices at 65 percent of parity, and corn prices at only 69 percent of parity—as of the end of May—it is no wonder farmers are unhappy.

It is obvious that taxpayers are also unhappy with the current program for cotton, wheat, and feed grains. When the taxpayer reads about current farm programs costing around \$3 billion a year and many farmers receiving in excess of \$100,000 in payments and the Congress about to extend the 10-percent surtax for another year, is it any wonder we have a taxpayer revolt on our hands? This is doubly true when farm prices for the commodities covered by these farm programs for cotton, wheat, and feed grains are so low and farmers unhappy with these prices.

The cost of these farm programs has become so excessive that real effort is being made to put a limit on individual payments to farmers. The House just a few days ago, by a vote of 224 to 142, voted to put a limit of \$20,000 on payments to farmers under these farm programs. This was done when the House approved the agricultural appropriations bill for fiscal 1970. A year ago the House also approved a limitation on these payments when the 1-year extension of the 1965 act was approved. The limitation of payment came out in a conference with the Senate last year. No one knows what may happen this year.

The point is there is real revolt brewing in both the House and Senate against these big payments going to large farmers and we had better recognize it in this body.

Mr. President, I interpolate here to say that I rather consistently opposed the limitation on payments. I did so because I did not believe that there was any logical ground for doing so. How does one say to one farmer, "You get so much per acre," and say to another farmer, "You get so much per acre," unless one just wants to let them run nilly-willy with their production. Then, of course, the whole objective of the farm program as it is cast today would go down the drain. So, there is no logical basis for it.

More important, this is a reflection of rebellion against the 1965 Farm Act and we had better recognize it in the Congress.

Because of these facts I, along with 18 of my colleagues, am today introducing a new farm bill. This bill is a comprehensive program designed to strengthen marketplace income for farmers, reduce the influence of Government in the management decision of farmers, and provide financial assistance to farmers who need skills training and other forms of assistance in order to develop off-farm income.

For too long the problems of agriculture in the United States have been considered as one big problem. I believe there are two big problems: First, the problem of the commercial farmers; and second, the problem of other farmers. We have been attempting for too many

years to apply the same remedy to the ills of both and with very little success.

The bill that I and my cosponsors are introducing today recognizes these differences, and also recognizes that we need to have a transition from the 1965 Act when it expires at the end of 1970.

The principal provisions of this bill are:

First. The 5-year program begins January 1, 1971, and runs through December 31, 1975. It would amend the Food and Agriculture Act of 1965. The program provides for a 5-year transitional period during which acreage controls, base acreages, marketing quotas, processing taxes, and direct payments for wheat, feed grains, and cotton would be phased out.

Second. Limit the total funds that may be spent on all direct payments for wheat, feed grains, and cotton under the Food and Agriculture Act of 1965 to 80 percent of the amount spent on 1969 crops in 1971, 60 percent in 1972, 40 percent in 1973, and 20 percent in 1974.

Third. Reduce the cost of wheat certificates to processors to 80 percent of the 1969 level in 1971, 60 percent in 1972, 40 percent in 1973, and 20 percent in 1974.

Fourth. Effective with 1975 crops, discontinue all acreage allotments, base acreages, marketing quotas, processing taxes, and direct payments—annual land diversion, compensatory, and certificate—for wheat, feed grains, and cotton.

Fifth. Continue the cropland adjustment provisions of the act of 1965 with amendments: First, to require that programs be operated on a competitive bid basis with emphasis on whole farms; and, second, to direct the Secretary of Agriculture to retire at least 10 million acres per year in 1971, 1972, 1973, 1974, and 1975.

The Secretary would announce in advance the maximum acreage to be contracted for each year. If accepted bids do not exhaust this acreage, higher bidders could be offered the opportunity to negotiate contracts at the accepted bid level.

Provide that loan rates for wheat, feed grains, cotton, and soybeans shall be set at not more than 85 percent of the previous 3-year average price, beginning with the 1971 crop year.

Prohibit the sale of CCC stocks at less than 150 percent of the current loan rate plus carrying charges, except when sales are offset by equivalent purchases in the open market.

In addition to and conditional on the adoption of the second, third, fourth, and fifth items: Authorize the Secretary of Agriculture to offer a special transitional program in 1971, 1972, 1973, 1974, and 1975, which would be open to any farmer who has had average gross annual sales of farm products of not more than \$5,000 and off-farm income of not more than \$2,000 per year for husband and wife for the immediately preceding 3 years. Such farmers would be eligible to receive one or more of the following:

First. Compensation for acreage allotments and base acreages surrendered to the Secretary for permanent cancellation. This would apply to all commodi-

ties having acreage allotments or acreages. Such compensation would be in addition to land retirement payments under the cropland adjustment program and would also be available to eligible farmers who wish to surrender their acreage allotments or base acreages without participating in the cropland adjustment program.

Second. Retraining grants of not to exceed \$1,000.

Third. Adjustment assistance of not to exceed \$2,500 per year for 2 years.

Fourth. Loans under existing credit programs further to facilitate the transition of eligible farmers to more gainful employment.

Mr. DIRKSEN. Mr. President, I introduce the bill for myself and Senators MATHIAS, PERCY, MILLER, SCOTT, HANSEN, FANNIN, COTTON, WILLIAMS of Delaware, GRIFFIN, RIBICOFF, SAXBE, DOMINICK, MURPHY, BOGGS, BROOKE, CASE, BENNETT, and JORDAN of Idaho, and ask unanimous consent to have it printed in the RECORD following my remarks.

In connection with its introduction, I give special commendation to my friend, the Senator from Maryland (Mr. MATHIAS) who earlier expressed interest in this matter and came to my office to discuss it, even before we got around to the introduction of the bill.

In addition, the Senator from Maryland has called upon a good many other Senators to ascertain whether they would be interested in becoming cosponsors. I apprehend that in the days to follow, other Senators will want to add their names as cosponsors of the bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2524) to adjust agricultural production, to provide a transitional program for farmers, and for other purposes, introduced by Mr. DIRKSEN, for himself and other Senators, was received, read twice by its title, referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

S. 2524

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Adjustment Act of 1969".

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of the Congress and the purpose of this Act to increase per family farm net income; bring the supplies of cotton, wheat, feed grains, and soybeans into line with current demand; and decrease the public costs of maintaining farm programs. To effectuate this policy, programs are herein established to assist farmers in (1) obtaining a commodity price in the market place higher than levels at which commodity loans are made available by the Commodity Credit Corporation and fair in relation to prices farmers have to pay; (2) carrying out a voluntary program of soil, water, forest, and wildlife conservation; and (3) achieving, with minimum difficulty, the transition and adjustment where necessary to more gainful employment.

TITLE I—EXTENDING AND MODIFYING THE FOOD AND AGRICULTURE ACT OF 1965; PROVIDING PRICE SUPPORT FOR SOYBEANS

SEC. 101. Titles III, IV, and V of the Food and Agriculture Act of 1965 (79 Stat. 1187) are amended by striking out "through 1970" wherever it appears in such titles and inserting in lieu thereof "through 1974".

SEC. 102. Notwithstanding any other provision of law—

(a) That portion of price support which is made available through loans for the 1971 through 1974 crops of cotton, wheat, corn, oats, rye, barley, and grain sorghum under programs enacted or extended by the Food and Agriculture Act of 1965 shall not exceed a loan level of 85 per centum of the average price received by farmers for the commodity concerned, excluding payments made by the Secretary for such commodity, during the three complete marketing years immediately preceding the calendar year in which the marketing year for the crop of the commodity concerned begins.

(b) Total price support and diversion payments (not including payments made under sec. 602 of the Food and Agriculture Act of 1965), including payments in kind, made to farmers by the Secretary of Agriculture under the authority of (1) section 16(i) of the Soil Conservation and Domestic Allotment Act, as amended, (2) sections 101(f), 103(d), and 107 of the Agricultural Act of 1949, as amended, and (3) sections 339 and 379c, d, and e of the Agricultural Adjustment Act of 1938, as amended, shall not—

(A) in 1971, exceed 80 per centum of the total of such payments made in 1969;

(B) in 1972, exceed 60 per centum of the total of such payments made in 1969; and

(C) in 1973, exceed 40 per centum of the total of such payments made in 1969; and

(D) in 1974, exceed 20 per centum of the total of such payments made in 1969.

(c) The Commodity Credit Corporation shall sell wheat marketing certificates, provided for under section 379c of the Agricultural Adjustment Act of 1938, as amended, for the marketing years for the 1971 through the 1974 wheat crops to persons engaged in the processing of food products in an amount equivalent to the following—

(1) for the 1971 crop, 80 per centum of the amount for which certificates were sold for the 1969 crop;

(2) for the 1972 crop, 60 per centum of the amount for which certificates were sold for the 1969 crop;

(3) for the 1973 crop, 40 per centum of the amount for which certificates were sold for the 1969 crop; and

(4) for the 1974 crop, 20 per centum of the amount for which certificates were sold for the 1969 crop.

(d) Effective only with respect to the 1971 through 1974 crops of soybeans, price support shall be made available to producers for each crop of soybeans at a level not to exceed 85 per centum of the average price received by farmers during the three complete marketing years immediately preceding the calendar year in which the marketing year for such crop begins.

SEC. 103. Effective with the 1971 crop of cotton, subsection (e) of section 346 of the Agricultural Adjustment Act of 1938, as amended, is amended by changing the second paragraph to read as follows:

"For the 1971 and 1972 crops of cotton, the annual national export market acreage reserve shall be an amount of acreage determined by the Secretary necessary to produce the amount of cotton which he estimates will be exported in the year the cotton is to be marketed."

SEC. 104. Effective with the 1973 crop of cotton, the Agricultural Adjustment Act of

1938, as amended, is amended by (1) repealing section 346, and (2) changing the colon to a period in subsection (c) of section 347 and deleting the proviso.

TITLE II—TERMINATION OF EXISTING COTTON, WHEAT, AND FEED GRAIN PROGRAMS; ESTABLISHMENT OF PRICE SUPPORT PROGRAM FOR COTTON, WHEAT, FEED GRAINS AND SOYBEANS FOR 1975 AND SUBSEQUENT CROPS

SEC. 201. Notwithstanding any other provision of law, effective with the 1975 crops of cotton, wheat, corn, oats, rye, barley, and grain sorghum—

(1) sections 321 through 350 of parts II, III, and IV of subtitle B and section 379a through 379j of subtitle D of title III of the Agricultural Adjustment Act of 1938, as amended, are repealed, parts V and VI of subtitle B are redesignated as parts II and III, respectively, and subtitle F is redesignated as subtitle D; and

(2) subsection (i) of section 16 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590p), as amended, is repealed.

SEC. 202. Effective with the 1975 crop of wheat, the Act of May 26, 1941, as amended (Public Law 74, Seventy-seventh Congress, 55 Stat. 203), is repealed.

SEC. 203. Effective with the 1975 crops of wheat, corn, oats, rye, barley, and grain sorghum, section 327 of the Food and Agriculture Act of 1962 (Public Law 87-703) is repealed.

SEC. 204. Effective with the 1975 crops of cotton, wheat, corn, oats, rye, barley, grain sorghum, and soybeans, the Agricultural Act of 1949, as amended (7 U.S.C. 1441 et seq.), is amended by—

(1) amending section 103 (7 U.S.C. 1441 (d)) to read as follows:

"Sec. 103. Notwithstanding the provisions of section 101 of this Act, price support shall be made available to producers for each crop of cotton, wheat, corn, oats, rye, barley, grain sorghum, and soybeans at a level not to exceed 85 per centum of the average price received by farmers for the commodity, excluding payments made by the Secretary for such commodity, during the three complete marketing years immediately preceding the calendar year in which the marketing year for the crop of the commodity concerned begins."; and

(2) repealing subsection (f) of section 101 (7 U.S.C. 1441(f)), and sections 105 (7 U.S.C. 1441 note), 107 (7 U.S.C. 1445a), and 402 (7 U.S.C. 1422).

TITLE III—RESTRICTIONS ON SALES BY THE COMMODITY CREDIT CORPORATION

SEC. 301. Effective August 1, 1971, section 407 of the Agricultural Act of 1949, as amended (7 U.S.C. 1427), is amended by striking out the seventh sentence thereof, and by striking out the last four sentences of such section and inserting in lieu thereof the following: "Notwithstanding any other provision of law the Commodity Credit Corporation shall not make any sales (except sales offset by equivalent purchases, but including sales made in redemption of payment-in-kind obligations of the Commodity Credit Corporation under its programs) of its stocks of cotton, wheat, corn, oats, rye, barley, grain sorghum (or soybeans at less than (1) 150 per centum of the then current loan rate for such commodity, plus reasonable carrying charges, or (2) the market price for such commodity at the time of sale, whichever is higher."

TITLE IV—AN EXPANDED CROPLAND ADJUSTMENT PROGRAM

SEC. 401. Section 602 of the Food and Agriculture Act of 1965 (7 U.S.C. 1838) is amended—

(1) by striking out "1970" and inserting in lieu thereof "1975" in the first sentence of subsection (a);

Calendar No. 269

91ST CONGRESS
1ST SESSION

H. R. 11612

IN THE SENATE OF THE UNITED STATES

JULY 1, 1969

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. INOUE to H.R. 11612, an Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, viz:

1 On page 23, line 22, insert "of titles I, II, and IV"
2 immediately before "of the Sugar Act".

3 On page 41, between lines 18 and 19, insert a new sec-
4 tion as follows:

5 SEC. 511. (a) Effective January 1, 1970—

6 (1) subchapter A of chapter 37 of the Internal
7 Revenue Code of 1954 (relating to tax on manufactur-
8 ing sugar) is repealed, and

9 (2) part 1, subpart A of the appendix to the

- 1 Tariff Schedules of the United States is amended by
2 striking out item 901.
3 (b) Title III of the Sugar Act of 1948 is repealed.

Amdt. No. 57

Calendar No. 269

**91ST CONGRESS
1ST SESSION**

H. R. 11612

AMENDMENTS

Intended to be proposed by Mr. INOUYE to H.R.
11612, an Act making appropriations for the
Department of Agriculture and related
agencies for the fiscal year ending June 30,
1970, and for other purposes.

JULY 1, 1969

Ordered to lie on the table and to be printed

Calendar No. 269

91ST CONGRESS
1ST SESSION

H. R. 11612

IN THE SENATE OF THE UNITED STATES

JULY 1, 1969

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. GOODELL to H.R. 11612, an Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, viz: On page 23, line 14, after the colon, insert the following: *Provided further, That—*

1 (1) None of the funds appropriated by this Act or any
2 funds available to the Commodity Credit Corporation shall
3 be used to make price support payments or acreage diversion
4 payments which will result in a total of such payments to
5 any producer in excess of \$10,000 for each of the 1970 crops
6 of upland cotton, extra long staple cotton, wheat, and feed
7 grains.

8 (2) If the foregoing payment limitation reduces the

Amdt. No. 60

★(Star Print)

1 payments which otherwise would be made to a producer of
2 feed grains (which for the purposes hereof shall be consid-
3 ered as a single commodity) and wheat on any farm, the
4 minimum acreage diversion requirements for such com-
5 modity on the farm or farms shall be reduced by the same
6 percentage as the payment to the producer of such commod-
7 ity on the farm are reduced by the limitation. The term
8 "payment" includes payments-in-kind, wheat marketing cer-
9 tificates and export marketing certificates, but does not in-
10 clude loans or purchases.

11 (3) If the foregoing payment limitation reduces by 20
12 percent or more the payments which otherwise would be
13 made to a producer of either upland or extra long staple
14 cotton on any farm, such producer, without affecting his
15 status as a cooperator and without being subject to marketing
16 quota penalties, may be permitted by the Secretary of Agri-
17 culture to exceed the applicable cotton acreage allotment for
18 the farm by not more than 30 percent.

19 (4) The Secretary may not permit the owner and oper-
20 ator of any farm, for which the foregoing cotton payment
21 limitation reduces the payment that otherwise would be
22 made, to sell or lease all or any part of the right to all or any
23 part of such allotment, to any other owner or operator of a
24 farm, unless he finds the lease or sale is not for the purpose
25 of evading the foregoing payment limitation.

1 (5) Acreage planted to the 1970 crop of cotton in excess
2 of the acreage allotment for the farm established under sec-
3 tion 344 of the Agricultural Adjustment Act of 1938, as
4 amended, shall not be taken into account in establishing
5 future State, county and farm acreage allotments and shall not
6 be considered as part of any acreage allotment.

7 (6) Section 103 (d) (12) of the Agricultural Act of
8 1949, as amended shall not be applicable to the 1970 crop
9 of cotton.

10 (7) The Secretary of Agriculture shall provide such reg-
11 ulations as he determines necessary to effectuate the purposes
12 of this section and to prevent evasion of the limitations con-
13 tained in this section.

AMENDMENT

Intended to be proposed by Mr. GOODALL to
H.R. 11612, an Act making appropriations
for the Department of Agriculture and re-
lated agencies for the fiscal year ending
June 30, 1970, and for other purposes.

JULY 1, 1969

Ordered to lie on the table and to be printed

HOUSE

1. WATER RESOURCES. The Interior and Insular Affairs Committee voted to report (but did not actually report) S. 574, to authorize the Secretary of the Interior to engage in feasibility investigations of certain water resource developments. p. D584
The Interior and Insular Affairs Committee voted to report (but did not actually report) S. 38, to consent to the upper Niobrara River compact between Wyo. and Nebr. p. D584
2. TAXATION. Rep. Ashbrook expressed concern over the surtax extension and discussed some questions that have arisen. pp. H5577-8
3. POVERTY. Received from GAO a report on the effectiveness and administration of the community action program in Becker, Hubbard, and Mahnomen Counties, Minn., under title II of the Economic Opportunity Act. p. H5586
4. LEGISLATIVE PROGRAM. Rep. Albert announced that on Wed. of next week the House will consider the conference report on the second supplemental appropriation bill, a measure relating to the administration of the national park system, and a bill to hold in trust certain lands for the Pueblo de Taos Indians in N. Mex. p. H5576
5. ADJOURNED until Mon., July 7. p. H5586

SENATE

6. APPROPRIATIONS. Sen. Javits submitted amendments to H. R. 11612, the agricultural appropriation bill, which would increase funds for the special milk and child feeding programs. pp. S7518-19
Sen. Goodell discussed his amendment placing a \$10,000 limit on farm payments and inserted a table listing by States those producers receiving \$10,000 or more from specified programs in 1968. p. S7556
Sen. Yarborough expressed support for our farm programs, stated if we are to "maintain the high levels of success of our agricultural programs we must continue to finance them adequately" and commended the Senate version of the agricultural appropriation bill. pp. S7530-31
7. RECREATION. Passed with amendments S. 853, to establish the Sawtooth National Recreation Area in Idaho (pp. S7506-11). Agreed to amendments by Sen. Church to provide that prospecting, exploration, development, and mining shall be carried out so as to protect scenic beauty and avoid pollution (p. S7510).
Sen. Yarborough inserted a resolution of the Greater Dallas Women's Chamber of Commerce urging the preservation of at least 100,000 acres of the Big Thicket. p. S7527
8. RESEARCH. The Labor and Public Welfare Committee reported with amendment S. 1857, to authorize appropriations for activities of the National Science Foundation (S. Rept. 91-285). p. S7512

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued July 3, 1969
For actions of July 2, 1969
91st 1st No. 110

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HIGHLIGHTS: Sens. Javits and Goodell submitted and discussed their proposed amendments to USDA appropriation bill re: child feeding and farm payment limitation. Senate passed Sawtooth National Recreation Area bill. Sen. Yarborough supported farm programs.

And even these mild suggestions may not get into the new rule book of the American Horse Shows Association. For one thing, J. Glenn Turner, who is no enemy of the trainer, has been selected as the new chairman of the Walking Horse Committee for the AHSA. Turner has never shown any disposition to change the present rules, which are either so vaguely worded as to be uninterpretable, or simply misstate the situation. For example, the rule book says: "Horses must be serviceably sound." Under present practice, that means only that if they don't fall down they can show. The book also says: "Judges shall disqualify horses equipped with artificial appliances such as . . . leg chains, wires or tacks, blistering or any other cruel and inhumane devices. . . . White boots may be used, but they shall be subject to examination by show officials." Which officials? In practice, the manager leaves the job to the steward (the person who must be present at every recognized show to see that the association's rules are upheld), and the steward passes the buck right back to the manager or to the show veterinarian or to the judge. If, by some chance, an offender is caught he is disqualified from the class, but he is free to ship his horse off to the next show.

If the AHSA had the nerve to make the punishment fit the crime, a lot of trainers would be on crutches. The trainers, of course, blame pressure from the owners, and the owners say the trainers are at fault. (One owner quoted his trainer: "Just don't watch while I put the boots on—you'll feel better when you ride up to get that ribbon.")

So, despite the courage of men like Yenser, C. C. Turner and Amos, there is little to be hoped for from the self-interested, ribbon-seeking trainer or owner. That leaves the matter squarely in the hands of the American Horse Shows Association, which has yet to enforce or even clarify its own tepid rules. If the AHSA at its current meeting fails to redefine its rules, make clear who is responsible for enforcing them and provide stringent penalties for offenders, a few courageous show managers are ready to drop the Walking Horse division entirely. This may seem a drastic remedy, but the various Walking Horse societies have had ample time to clean their own stable. They have failed to do so. The AHSA must have the courage to do it for them.

[From the New York World-Telegram and the Sun, Jan. 6, 1966]

SPUR OF THE MOMENT—TORTURE STILL GOADS THE WALKING HORSE
(By George Coleman)

The Tennessee walking horse cruelty is set to hobble into the 1966 annual convention of the American Horse Shows Assn. opening at Lexington, Ky., a week from today.

There's a new rule that's supposed to hog-tie any trainers messing around with walking horses: "Any horse foaled after Jan. 1, 1965, with scars around the coronet or pastern area (Just above the hoof) is ineligible for competition." Plus, "The use of any substance on the coronet or pastern area which is evident during show performance is prohibited. . . ."

For five years, since this newspaper and Sports Illustrated exposed the bloody business, the AHSA has been passing noose-tightening rules and the cruelty continues.

A MATTER FOR RHYME?

At that time despite published photos of horses bleeding to the extent of staining the tanbark of show rings, the AHSA officers didn't believe what they saw. The late Adrian Van Sinderen, then AHSA president, at the 1960 convention whitewashed the cruelty with a 32-line poem in his report:

"If you desire a saddie horse,
A horse that's sure to please
Just buy yourself a walking horse,
And ride along with ease . . ."

But before the three-day meeting ended the AHSA took its initial halting steps to curb the torture of the walking horse. Three months later at the Nashville (Tenn.) TWH breeders' annual dinner, Tennessee's Gov. Buford Ellington told 500 owners and trainers, "Either you stop messin' with walking horse cruelty or I'll chase every last one of you over the Great Smoky Mountains." Everybody smiled.

A TYPICAL PENALTY

Despite dozens of anti-cruelty rules in the AHSA book, the cruelty goes on. Here's an example why: Three trainers were found guilty of showing bleeding horses at Kansas City's American Royal Horse Show. So the AHSA directors suspended the three for three months until April 1, 1966, during the winter time when the horsemen wouldn't be showing anyway. That's a penalty?

In the walking horse, the longer and higher the stride, the better the ride and performance. Instead of taking months to teach the animal and being content with its best, the trainers apply a burning mercury ointment above the hooves. Soon the flesh is blistered.

On top of the hooves go upside-down cups of rubber called boots and inside the boots on top of the blisters are tacks. As the boots and tacks rub the flesh rawer, the horse, to relieve the pain, barely touches the front feet to the ground. To keep his balance he increases the back stride. That's the way some show ribbons are won.

THE NEWEST DODGE

The latest trick is deliberately to drive a nail, in shoeing, into the horse's foot. That accomplishes the same result as the burning ointment and tacks. And there's no rule in the AHSA book about a nail in the foot.

STATEMENT BY MRS. H. M. OLER, REPRESENTING THE AMERICAN HUMANE ASSOCIATION AND THE CHATTANOOGA, TENN., HUMANE EDUCATIONAL SOCIETY

(At the national celebration of the walking horse, Shelbyville, Tenn., September 4, 1965)

I arrived at the horse show on Friday night, August 28, 1965.

SATURDAY, AUGUST 29, 1965

My first experience was seeing a sore mare. She was very stiff and sore and could barely walk.

I saw the blacksmith applying some chemical to a horse's hoof. The horse reacted violently to the pain. When the owner saw my identification, he took the horse and rode off. I could not follow and could not get the identity of the owner.

The horses were used constantly wearing heavy chains which tore their pastern badly wearing the hair off—some were bleeding.

WEDNESDAY, SEPTEMBER 1

I saw a man cut a walking horse's foot at the coronet band with a razor blade, and rub salt in the wound. I asked him what he did that for, he did not answer and when he saw my identification, he rode rapidly away.

Every night at the horse show, the horses were shown stiff and sore. After working and getting warmed up, they did not show so much stiffness. However, after standing, they moved sore after being judged. This seems to be routine.

In one class one of the exhibitors who had not been pinned, or tied, was angry and he jumped the gate (about 2 feet) out of the ring without getting permission to leave and without waiting for the gate to be opened. A policeman told me that when the rider got outside, he hit the horse in the head in anger.

H. M. OLER,

Humane Agent, Humane Educational Society of Chattanooga, Tenn.

S. 2544—INTRODUCTION OF A BILL TO PROVIDE GREATER OPPORTUNITY FOR PARTICIPATION IN RULEMAKING BY AND ON BEHALF OF PERSONS OF LIMITED MEANS

Mr. HART. Mr. President, I introduce for myself and the senior Senator from Massachusetts (Mr. KENNEDY), a bill to provide greater participation in rulemaking by persons of limited means.

It is axiomatic that the Government of a free and open society should strive to involve as many of its citizens as possible in governmental decisions affecting them.

As we seek to preserve and refine our political system, we are witnessing a growing tendency among some Federal agencies to open their proceedings more to the public.

The purpose of the bill we introduce today is to insure that persons of limited means are able to take full advantage of this trend as are persons of affluence.

The bill, identical to S. 3703 which I introduced in the last Congress, directs the Attorney General to contract with or to make grants to such nonprofit organizations as the National Legal Aid and Defender Association to represent the poor in Federal rulemaking procedures which will affect them.

The bill also authorizes the Attorney General to arrange for representation of the poor with Federal departments on questions affecting the poor. This would enable people of limited means to have the same opportunity to express their views to Federal departments as others now do.

This is not to say that the poor will always be correct, but rather that the poor, right or wrong, have the right to be heard.

The bill seeks to insure that efforts to advance the principle of freedom of information include the poor.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2544) to provide greater opportunity for participation in rulemaking by and on behalf of persons of limited means, introduced by Mr. HART (for himself and Mr. KENNEDY), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

S. 2544

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is fundamental to wise administrative rulemaking that, except in limited or unusual circumstances, persons whose interests may be affected be assured of an opportunity to participate in rulemaking through submission of data, views, or arguments to the responsible rulemaking agency. Rulemaking frequently affects persons without the resources necessary to keep themselves informed concerning proposed rules or to petition for rules or amendment or repeal of rules. Hence it is necessary that means be provided whereby, insofar as feasible, the

interests of such persons may be protected in rulemaking and whereby the rulemaking process may be benefited by advocacy on behalf of such interests.

Sec. 2. Section 553, in chapter 5, Administrative Procedure, of title 5, United States Code, is hereby amended by adding thereto the following subsection:

"(f) The Attorney General is directed to enter into contracts with, or to make grants subject to appropriate conditions to, the National Legal Aid and Defender Association, or such other nationally organized nonprofit bodies with generally similar objectives as he may deem desirable, whereby such body or bodies may be provided with funds to enable them to participate in rulemaking in accordance with this section on behalf of interested persons who, because of their lack of personal resources, are unable effectively to do so. Any such body shall be deemed to be an interested person for the purpose of this section. Such body or bodies may contract with other persons to aid in effectuating the purposes of such contract or grant. The Attorney General is authorized to adopt such rules or regulations as may be appropriate to the administration of this subsection. He is authorized, further, after consultation with the agency involved, by order to make this section applicable to matters relating to public property, loans, grants, benefits, or contracts in circumstances where he determines that such matters so affect the interests of persons of limited means as to make it appropriate that, in connection with rulemaking with respect to such matters, a body or bodies receiving a contract or grant under this subsection should have an opportunity to represent such interests."

Sec. 3. There are hereby authorized to be appropriated such funds as are necessary to carry out the provisions of section 2.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTION

S. 740

Mr. BYRD of West Virginia. Mr. President, on behalf of my very close friend the Senator from New Mexico (Mr. MONTROYA), I ask unanimous consent that, at its next printing, the names of the Senator from Nevada (Mr. BIBLE), the Senator from Connecticut (Mr. DOBB), the Senator from Missouri (Mr. EAGLETON), the Senator from New York (Mr. GOODELL), the Senator from Hawaii (Mr. INOUE), the Senator from Oregon (Mr. PACKWOOD), the and Senator from West Virginia (Mr. RANDOLPH) be added as cosponsors of the bill (S. 740) to permanently establish the Interagency Committee on Mexican-American Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1761

Mr. PEARSON. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Nebraska (Mr. HRUSKA) be added as a cosponsor of the bill (S. 1761) designating the Interstate Highway System of the United States as the Eisenhower Interstate System.

The PRESIDENT pro tempore. Without objection, it is so ordered.

S. 1872

Mr. BYRD of West Virginia. Mr. President, at the request of the distinguished Senator from Hawaii (Mr. INOUE), I ask unanimous consent that, at its next printing, the name of the Senator from Oregon (Mr. HATFIELD) be added as a

cosponsor of the bill (S. 1872) to repeal the Emergency Detention Act of 1950 (title II of the Internal Security Act of 1950).

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2264

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Alaska (Mr. GRAVEL) be added as an additional cosponsor of the bill (S. 2264) to amend the Public Health Service Act to provide authorization for grants for communicable disease control.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2276

Mr. BYRD of West Virginia. Mr. President, at the request of my distinguished senior colleague from West Virginia, (Mr. RANDOLPH), I ask unanimous consent that, at its next printing, the names of the Senator from Maine (Mr. MUSKIE), the Senator from Kentucky (Mr. COOPER), and the Senator from Tennessee (Mr. BAKER), be added as cosponsors of the bill (S. 2276) to extend for 1 year the authorization for research relating to fuels and vehicles under the provisions of the Clean Air Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2315

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, at its next printing, the name of the senior Senator from New Mexico (Mr. ANDERSON), be added as a cosponsor of the bill (S. 2315) to restore the Golden Eagle program to the Land and Water Conservation Fund Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2452

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Alaska (Mr. STEVENS) be added as a cosponsor of S. 2452, providing retirement benefits for commissioned officers of the Public Health Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2457

Mr. JAVITS. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Indiana (Mr. BAYH) be added as a cosponsor of the bill (S. 2457), the National Kidney Disease Act of 1969.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2518

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Indiana (Mr. HARTKE), I ask unanimous consent that, at its next printing, the names of the Senator from Kentucky (Mr. COOPER), and the Senator from Maine (Mr. MUSKIE) be added as cosponsors of the bill (S. 2518) to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder.

The PRESIDING OFFICER. Without objection, it is so ordered.

S.J. RES. 120

Mr. MOSS. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from North Dakota (Mr. BURDICK) be added as a cosponsor of the joint resolution (S. J. Res. 120) providing for the preparation and submission to the Congress of a master ground transportation plan for the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSORS OF STAR PRINT OF BILL

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from New Jersey (Mr. CASE), I ask unanimous consent that the following Senators be listed as cosponsors of the star print of the bill (S. 1993) to promote public confidence in the integrity of the branches of the Government, which was requested by him on June 30 and which appears on page S7353 of the CONGRESSIONAL RECORD: Mr. CASE, Mr. HART, Mr. BELLMON, Mr. CHURCH, Mr. COOK, Mr. GOODELL, Mr. HARRIS, Mr. HATFIELD, Mr. JAVITS, Mr. KENNEDY, Mr. MANSFIELD, Mr. MATHIAS, Mr. MONDALE, Mr. MOSS, Mr. MUSKIE, Mr. PERCY, Mr. PROXMIER, Mr. SCOTT, Mr. SPONG, and Mr. TYDINGS.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 2, 1969, he presented to the President of the United States the following enrolled bills:

S. 1010. An act for the relief of Mrs. Aili Kallio; and

S. 1011. An act to authorize appropriations for the saline water conversion program for fiscal year 1970, and for other purposes.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1970

AMENDMENT NO. 61

Mr. JAVITS submitted the following notice in writing:

In accordance with the rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraphs 1 and 4 of rule XVI for the purpose of proposing to the bill (H.R. 11612), an Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes the following amendment; namely: On page 19, line 12 delete "\$84,000,000" and insert in lieu thereof the following: "\$104,000,000, *Provided*, That \$20,000,000 shall be available for milk for needy children in nonprofit high schools and schools of lower levels, child-care centers, summer camps, and similar nonprofit institutions devoted to the care and training of children."

Mr. JAVITS also submitted an amendment (No. 61), intended to be proposed by him, to House bill 11612, making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

AMENDMENT NO. 62

Mr. JAVITS (for himself, Mr. BROOKE, and Mr. HART) submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 1 of rule XVI for the purpose of proposing to the bill (H.R. 11612), an act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes; the following amendment, namely: on page 20, line 2 delete "\$100,000,000" and insert in lieu thereof the following: "\$120,000,000."

Mr. JAVITS (for himself, Mr. BROOKE, and Mr. HART) also submitted an amendment, intended to be proposed by him, to House bill 11612, supra, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1970— AMENDMENT

AMENDMENT NO. 63

Mr. JAVITS (for himself, Mr. BROOKE, Mr. HART, and Mr. KENNEDY) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, which was ordered to lie on the table and to be printed.

NOTICE OF HEARINGS BEFORE SPECIAL SUBCOMMITTEE ON EVALUATION AND PLANNING OF SOCIAL PROGRAMS

Mr. MONDALE. Mr. President, as chairman of the Special Subcommittee on the Evaluation and Planning of Social Programs, of the Committee on Labor and Public Welfare, I wish to give notice that public hearings have been scheduled for Monday and Tuesday, July 7 and 8, at 10 a.m. in room 4202 of the New Senate Office Building. An additional hearing will be held in room 4232 at 1:30 p.m. on Thursday, July 10.

Consideration will be given during these sessions to the recent report of the HEW Social Indicators Panel entitled "Toward a Social Report." The subcommittee will also receive testimony on S. 5, the proposed Full Opportunity Act.

The subcommittee consists of the Senator from Wisconsin (Mr. NELSON), the Senator from California (Mr. CRANSTON), the Senator from Missouri (Mr. EAGLETON), the Senator from New York (Mr. JAVITS), the Senator from Vermont (Mr. PROUTY), and the Senator from Pennsylvania (Mr. SCHWEIKER).

NOTICE OF HEARINGS

Mr. KENNEDY. Mr. President, on June 16, 1969, Senator SPARKMAN, chairman of the Subcommittee on Housing and Urban Affairs, announced that the subcommittee would begin hearings on July

15 on 1969 housing, urban development and mass transportation legislation. He announced at that time that he would submit at a later date a list of the bills pending before the subcommittee upon which the hearings would be held.

In Senator SPARKMAN's absence, I should like to announce the list of bills as follows:

S. 201, S. 415, S. 527, S. 669, S. 676, S. 1032, S. 1048, S. 1474, S. 2207, S. 2368 and S. 2440.

The hearings will commence on July 15 and run through July 25, 1969. They will be held in room 5302, New Senate Office Building, and will begin at 10 a.m., each day.

Should additional bills be introduced prior to July 15, they will also be made a part of the subcommittee hearings.

ACQUISITION OF AIR CARRIERS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 173, S. 1373.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1373) to amend the Federal Aviation Act of 1958.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert:

(1) Section 407(f) is amended by adding the following additional sentence: "Any person owning, beneficially or as trustee, more than 5 per centum of any class of the capital stock or capital, as the case may be, of an air carrier shall submit annually, and at such other times as the Board may require, a description of the shares of stock or other interest owned by such person, and the amount thereof."

(2) Section 408 is amended by striking subsection 408(a) (5) in its entirety, and inserting in lieu thereof the following:

"(5) For any air carrier or person controlling an air carrier, any other common carrier, any person engaged in any other phase of aeronautics, or any other person to acquire control of any air carrier in any manner whatsoever: *Provided*, That the Board may by order exempt any acquisition from this requirement to the extent and for such periods as may be in the public interest;"

(3) Section 408(b) is amended by striking the period at the end thereof and adding a colon and by adding the following: "*Provided, further*, That in any case in which an order of approval is required hereunder only by reason of the requirements of section 408(a) (5), the Board may enter such order pursuant to such procedures as it by regulation may prescribe."

(4) Section 408 is further amended by adding the following new subsection 408(f):

"For the purposes of this section any person owning beneficially 10 per centum or more of any class of the capital stock or capital of an air carrier shall be presumed to be in control of such air carrier unless the Board finds otherwise."

SEC. 2. The amendments made by this Act shall be effective as of March 7, 1969: *Provided, however*, That no criminal penalties shall be applicable to any person who acquired control of an air carrier between

March 7, 1969, and the actual date of enactment of these amendments.

Mr. BYRD of West Virginia, Mr. President, on behalf of the distinguished and very able senior Senator from Washington (Mr. MAGNUSON), I have called this bill up before the Senate today, and on his behalf I wish to make the following statement with reference to two amendments to be offered.

The first amendment is merely technical in nature and would insert after the enacting clause the following:

That the Federal Aviation Act of 1958, as amended, be further amended as follows:

Thus, the first amendment is nonsubstantive in nature and merely supplies a description of the appropriate act being amended by the bill.

The purpose of the second amendment is to clarify that the provision of the bill creating a presumption of control applies only to ownership of voting stock having 10 percent of the total vote. Under the proposed amendment, the presumption of control would not apply to owners of 10 percent of the aggregate number of shares having some type of voting power if the shares owned do not carry 10 percent of the vote. Conversely, the presumption would apply to ownership of less than 10 percent of the aggregate number of voting shares if the shares owned carried 10 percent or more of the vote. This clarifying language is entirely consistent with the purposes of S. 1373 and the specific language of the amendment has been worked out with the Securities and Exchange Commission, the Civil Aeronautics Board, and the concerned industry.

I ask unanimous consent to insert in the RECORD at this point a letter from the Chairman of the Civil Aeronautics Board dated June 27, 1969 addressed to the chairman of the Senate Commerce Committee (Mr. MAGNUSON), commenting upon the second proposed amendment, and a letter dated June 6, 1969, from the Chairman of the Securities and Exchange Commission, also addressed to the chairman of the Senate Commerce Committee (Mr. MAGNUSON) and also relating to the language of the second proposed amendment.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CIVIL AERONAUTICS BOARD,
Washington, D.C., June 27, 1969.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Commerce
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: Your staff has requested the Board's views on the Securities and Exchange Commission's suggested revision of a proposed amendment of S. 1373 as reported. The amendment in question, on which the Board commented by letter dated June 10, proposes to modify S. 1373 by limiting the presumption of control (Section 4) to cases involving 10 percent of "the aggregate of all classes of the voting stock of an air carrier or capital of an air carrier * * *." The Securities and Exchange Commission proposes substitute language for the purpose of eliminating an ambiguity and deleting the phrase "or capital."

The Board has no objection to the substitute language proposed by the Securities and Exchange Commission, except for the

deletion of the term "or capital." The primary purpose of the suggested language is to clarify that the presumption of control applies only to ownership of voting stock having 10 percent of the total vote. It does not apply to ownership of 10 percent of the aggregate number of shares having some type of voting power, if the shares owned do not carry 10 percent of the vote. Conversely, the presumption applies to ownership of less than 10 percent of the aggregate number of voting shares if the shares owned carry 10 percent or more of the vote. This clarification appears in keeping with the purpose of the proposed amendment of S. 1373, to which the Board had no objection.

The Board, however, suggests that the Securities and Exchange Commission's proposed language be modified to read: " * * * any person owning beneficially 10 per centum or more of the voting securities or capital, as the case may be, of an air carrier shall be presumed to be in control of such air carrier unless the Board finds otherwise. * * "

The phrase "or capital" appears in Section 407 of the Act, S. 1373 as reported, and the proposed amendment of S. 1373. The purpose of the phrase is to cover ownership interests in air carriers which are not organized as corporations and which do not have stock, voting or otherwise. Not only does the Act define "air carrier" to include "an individual" or "a partnership," as well as a corporation [§101(3) and (13)], but many air carriers such as air taxi operators and air freight forwarders actually operate as single proprietorships or partnerships. While the Board's regulations exempt air taxi operators and air freight forwarders from Section 408 for the most part, they do not exempt other persons acquiring such carriers from the need to comply with Section 408. To eliminate the "or capital" provision would thus cause an undesirable gap in S. 1373's coverage.

The Securities and Exchange Commission is of the opinion that the significance of the words "or capital," as used in the proposed amendment, is unclear. In suggesting that the reference be to voting securities "or capital, as the case may be," the Board notes that the quoted language is now used in Section 407. In any event, the legislative history can clarify the significance of the phraseology.

The Board appreciates the opportunity to submit its comments.

Sincerely,

JOHN H. CROOKER, Jr.,
Chairman.

SECURITIES AND EXCHANGE
COMMISSION,
Washington, D.C.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your letter of May 28 regarding S. 1373. As indicated in the Committee Report, the purpose of the bill is to assure that no one will acquire control of an air carrier without prior approval of the Civil Aeronautics Board unless the Board grants an exemption.

As you point out, to accomplish this purpose without unnecessary obstruction of airline financing, or undue complications in the statute, presents some difficulties because of the variety of ways in which control of a company may be obtained and the great variety of capital structures which air carriers may have.

Similar problems confronted the draftsmen of the Public Utility Holding Company Act of 1935 and the Investment Company Act of 1940. It both statutes the concept of "control" is important. In some instances, the question of whether or not a company has to register under the statute and become subject to regulation thereunder, depends upon the presence or absence of control re-

lationships between it and other companies. Both the Holding Company Act and the Investment Company Act deal with the problem of defining "control" in a manner rather similar to that chosen in S. 1373. They refer to "control" as meaning control in fact, in a manner similar to Section 408(a) (5) of the Federal Aviation Act as proposed to be amended by Section 2 of S. 1373, and then they create a presumption that a person owning a specified percentage of the voting securities of a company is in control unless the Commission determines otherwise. For the sake of clarity, both of these Acts also define the term "voting security." The definition contained in Section 2(a) (40) of the Investment Company Act of 1940 reads in pertinent part as follows:

"(40) 'Voting security' means any security presently entitling the owner or holder thereof to vote for the election of directors of a company. A specified percentage of the outstanding voting securities of a company means such amount of its outstanding voting securities as entitles the holder or holders thereof to cast said specified percentage of the aggregate votes which the holders of all the outstanding voting securities of such company are entitled to cast. . . ."

Section 2(a) (17) of the Public Utility Holding Company Act of 1935 is similar. In general, our experience with this approach has been satisfactory.

It is true, as you point out, that control of a company can be acquired in other ways than through the ownership of voting securities. Indeed, it can be acquired without the ownership of any securities, as for example, by a management or other contract. It remains true, however, that the usual method of acquiring control of a company is to acquire a controlling block of voting securities and to utilize the voting power so obtained to take over control of the board of directors and the management. We believe, therefore, that for the purposes of a presumption based on the ownership of securities, such as that proposed to be provided in new subsection (f) of Section 408, as added by Section 4 of S. 1373, reference to voting securities, as in done in the corresponding presumptive provisions of the Holding Company Act and the Investment Company Act, would be satisfactory. It would, for example, be somewhat unreasonable to presume the existence of control because of the ownership of 10 per cent of a small class of nonvoting preferred stock which might be an insignificant part of the total capitalization of the air carrier and carry little or no influence in its management and, as the aviation industry has apparently represented to you, this might interfere with airline financing without corresponding protection against a change in control. In the relatively unusual situation where control may be acquired otherwise than through the ownership of voting securities, the general prohibition to be contained in amended Section 408(a) (5) would appear to meet the problem. The purpose of the presumption is to provide certainty in the relatively common situation where a person makes a relatively significant investment in securities of a carrier and needs to know whether or not this may place him in violation of amended Section 408(a) (5) of the Federal Aviation Act of 1958. Thus, we see some merit in the suggested amendment to S. 1373 which you enclosed.

On the other hand, that amendment, as it stands, is somewhat ambiguous. It is not clear whether "owning beneficially 10 per centum or more of the aggregate of all classes of the voting stock of an air carrier" means ownership of stock having 10 per cent of the vote, or ownership of 10 per cent of stock having some type of voting power, whether or not this ownership carries 10 per cent of the vote. For example, if a carrier has outstanding a thousand shares

of common stock having one vote per share and a thousand shares of preferred stock having ten votes per share, it would not be clear whether ownership of a hundred shares of each class would create the statutory presumption or whether the presumption would arise only from ownership of shares having, in the aggregate, eleven hundred votes. The significance of the words "or capital" in the proposed amendment is also unclear. The term "capital," when used with respect to corporations, apparently means, in some instances, all of the outstanding capital stock, whether or not voting, while in other contexts it is said to refer to the assets or property of the corporation.

I attach hereto a copy of a proposed revision of Paragraph (4) of S. 1373 which might be used in case your Committee should conclude to follow the general pattern found in the Public Utility Holding Company Act of 1935 and the Investment Company Act of 1940.

I hope that the foregoing will be of some assistance and if we can provide any further help, please let us know.

Sincerely,

HAMER H. BUDGE,
Chairman.

AMENDMENT TO S. 1373

At page 3, line 18, strike all of paragraph 4 and in lieu thereof insert the following:

"(4) Section 408 is further amended by adding the following new subsection 408(f):

"For the purposes of this section, any person owning beneficially 10 per centum or more of the voting securities or capital, as the case may be, of an air carrier shall be presumed to be in control of such air carrier unless the Board finds otherwise. As used herein, beneficial ownership of 10 per centum of the voting securities of a carrier means ownership of such amount of its outstanding voting securities as entitles the holder thereof to cast 10 per centum of the aggregate votes which the holders of all the outstanding voting securities of such carrier are entitled to cast."

Mr. BYRD of Virginia. Mr. President, in behalf of the Senator from Washington (Mr. MAGNUSON), I send to the desk two amendments to the committee amendment, and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk read as follows:

That the Federal Aviation Act of 1958, as amended, be further amended as follows:

(1) Section 407(b) is amended by adding the following additional sentence: "Any person owning, beneficially or as trustee, more than 5 per centum of any class of the capital stock or capital, as the case may be, of an air carrier shall submit annually, and at such other times as the Board may require, a description of the shares of stock or other interest owned by such person, and the amount thereof."

(2) Section 408 is amended by striking subsection 408(a) (5) in its entirety, and inserting in lieu thereof the following:

"(5) For any air carrier or person controlling an air carrier, any other common carrier, any person engaged in any other phase of aeronautics, or any other person to acquire control of any air carrier in any manner whatsoever: *Provided*, That the Board may by order exempt any acquisition from this requirement to the extent and for such periods as may be in the public interest;"

(3) Section 408(b) is amended by striking the period at the end thereof and adding a colon and by adding the following: "Provided, further, That in any case in which an order of approval is required hereunder only by reason of the requirements of section 408(a) (5), the Board may enter such order

Here we're really doing something important."

OPERATION MAINSTREAM

Mr. PERCY. Mr. President, the very active Administrator of the Small Business Administration, Hilary Sandoval, Jr., recently addressed the Cosmopolitan Chamber of Commerce in Chicago. His address is a most perceptive look at the problem of helping establish minority-owned businesses and a very forthright report of the efforts that have been made and are currently being made by the Small Business Administration to promote minority enterprise. I think the statements of Mr. Sandoval reflect the concern that President Nixon's administration has for furthering the development of minority enterprise in the Nation, and the sincere efforts the President is making to achieve that goal.

I request unanimous consent to have the statement reprinted in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ADDRESS BY HILARY SANDOVAL, JR., ADMINISTRATOR, SMALL BUSINESS ADMINISTRATION, BEFORE THE COSMOPOLITAN CHAMBER OF COMMERCE, CHICAGO, ILL., JUNE 7, 1969

Thank you for inviting me here today to talk with you.

I believe we have a great deal in common. You are businessmen, or men vitally concerned with business, and commerce. So am I.

You are members of a minority group. So am I.

You are interested in seeing more members of minority groups become businessmen. So am I.

And, as you know I am responsible for directing a program that can go a long way toward helping us achieve that goal.

So it is that program that I would like to talk with you about today. We call it Operation Mainstream and we hope it will provide opportunities for more members of minority groups to establish sound businesses.

There has been some speculation in the press recently that we have cut back SBA's program to help minorities.

I can tell you that's not true.

We're not cutting back our efforts, we're increasing them.

There have been reports in the press that SBA is making fewer loans to minorities now than it did a few months ago.

I can tell you that's not true.

I've said that I won't play a numbers game and I mean it. But for those who rely heavily on numbers, I can say that we are making more minority loans today than at any time since the program was started last August.

There has been some criticism of certain methods we are using in running the program. I don't mind constructive criticism. I welcome it. Because through constructive criticism we are able to see our weak spots and are able to take steps to correct them.

I suppose a comparison between what we are doing and the manner in which the program was operated by our predecessors is inevitable.

But I don't believe such a comparison is fair to either our predecessors or us. It serves no useful purpose. Let me tell you why.

In the first place, this is not a personal test to see which of us can achieve the best record. It's a long-range program to truly help the minorities. I think this was the goal of the people who started the program and it certainly is what we are working for.

Secondly, the people who started the program had seven months experience with it. We have had less than half that time—three months experience to date.

Conversely, we have had the advantage of building on what already has been done. The people who began the program had the disadvantage of having to develop the program and put it into operation.

So I don't feel that comparison are valid or serve any purpose.

And let me say that I believe the people who started the program made a good start.

They stimulated the interest of the banking community. We are continuing these efforts.

They started to develop liaison with community organizations to find the people among the minorities who could run a business.

We are continuing to do this."

They realized the necessity of getting business and industry to provide the management training and advice that new businesses require if they are to succeed. We agree this is necessary. We found this was one area that was lagging in development and we are really concentrating on it.

However, we can and must improve on what has been started so we have made some changes which we believe will accomplish that improvement.

I think the fact we have made some changes may possibly have led to the incorrect conclusion that we are lessening our efforts in the minority enterprise program.

Let me say again, that's not true.

I found that the minority program was split off from the rest of the Agency's operations. We felt we should make it a vital part of our overall operations and so we changed that. I found a dozen people in Washington and 60 or 70 "team" members in certain cities working apart from our field offices on the minority program. The teams had responsibility but no authority. And our field offices had the authority but no responsibility.

We felt a different approach would be more effective and we changed that.

You know, we have nearly 900 people in our Washington office and some 3,000 more in our field offices.

I want all of these people to be concerned with the minority program. More important—I want them to be concerned and working in our effort.

So I've made our regional offices responsible for the program and have given them the authority to carry it out.

We are going to continue sending our people into the inner cities and ghettos and the communities across the country where the minorities live. And we are going to have more minority staff members working to help the minorities.

I don't think anyone knows the problems of the Black-American or understands him better than another Black-American—a soul brother.

I don't think anyone knows the problems of a Mexican-American or understands him better than a Mexican-American, a compadre.

So we are going to have more Black staff members going into Black communities. And we are going to have more Spanish-speaking staff members going into Spanish speaking sections than we had before.

And we are going to have more minorities in top jobs in SBA helping set policy and advising us on how we can best run a minority program.

When we took office, our "team" in Los Angeles had only one person that could speak Spanish. That's just not good enough in the city with the largest Spanish-speaking population in the country. We've changed that.

I found that the "team" in New York City had only two Black and one Puerto Rican member. That's not enough in the city with the largest Black population in the nation

and a large group of Puerto Rican people. So we've added six new minority team members already—four Spanish speaking and two Black members and two other Black members are going to join the team shortly. And, we'll add more.

We have heard some criticism because I said we will make sound loans. This in some way has been misconstrued to mean we are tightening up on our criteria and it will be difficult for minorities to get loans.

That's not true. I haven't changed any of the existing criteria for minorities to qualify for a loan.

When I say I want our offices to make sound loans, I mean that when we help put a man in business we want to be reasonably certain we have all the back-up help—both management and technical—that he is going to need so that he will own a going business a year or two years or five years from now, and not become merely a statistic on our loan reports for the month we make the loan.

It doesn't mean, because I want a sound loan, that we won't take risks. We will take risks. And I can tell you that we are going to make some mistakes along the way.

But I'm not afraid of making mistakes if we can learn from them. So I say to you that we are going to take risks, and we are going to make mistakes. But that is the only way we can make progress.

As I said earlier, I don't believe the success of our efforts will be found in any score sheet or statistical report.

We're not dealing in numbers. We're dealing with human beings. We're dealing with people's lives and perhaps the life of the nation.

I don't believe that the proof of our success will be found in the number of loans we make.

I believe the success will be found in a store you can see like the franchise business we helped open in Bedford-Stuyvesant in Brooklyn yesterday.

I don't believe the proof of our efforts will be in the dollar volume of loans we can report.

I believe the success will be found in the black trucker and the black and Mexican-American auto parts dealers that International Harvester, Safeway Truck Lines, Chrysler Corporation, local banks and SBA all helped put in business in Kansas City two weeks ago.

I don't believe the proof of our success will be found in annual loan rates we set or can quote to the press.

I believe the proof of our success will be found in the Martin Luther King Sr. Nursing Home that the Martin Luther King Jr., Foundation, local banks and SBA all helped establish in Atlanta, Georgia.

I don't believe the proof of our success will be found in the number of news releases we issue on the program.

I believe the proof of our success will be found in the dry cleaning store located in the Chicago ghetto that a local development company, a local bank and SBA helped minority people buy from white owners this week.

I can say to you truthfully my friends: We are not lessening our efforts. We are increasing them.

We are not cutting back on our program. We are expanding it.

We are not less concerned. We are more concerned with how we can improve our program to make it serve the minorities better.

I have been a member of the second largest minority group in the nation for 39 years now. I've been the route. I know the problems the minorities face and I can tell you I mean to face up to those problems with all the resources at my command.

I hope that when it comes time for us to turn the program over to our successors, that they will look for improvements and

will seek new methods of increasing the effectiveness of the program and that they will be able to improve on our record.

And if, when it comes time for us to pass the baton to the next man, we can walk past a new Black or Mexican-American or Indian or other minority-owned business and say we had a little something to do with helping a fellow American become a successful businessman, then I think we will be able to say we achieved some success.

I hope all of you will join us at SBA in working toward that day.

INTERPRETATION OF RIGHT TO STRIKE PROVISION IN FORCED LABOR CONVENTION

Mr. PROXMIRE. Mr. President, yesterday I spoke on the floor about the Forced Labor Convention. Included in my remarks was a substantial quote from former Secretary of Labor Arthur J. Goldberg concerning the application of this convention to existing constitutional law. Mr. Goldberg's analysis demonstrates clearly why ratification of the Forced Labor Convention would not conflict with our own laws governing labor-management relations.

Opponents of ratification have suggested that adoption of this treaty might raise havoc with State and Federal laws which prohibit certain types of employees from striking—for example, New York's Conlin-Wadlin Act. They contend that there would then be two conflicting clauses in our legal framework concerning the procedure for handling strikers and what would constitute sufficient grounds for arresting them.

But as Mr. Goldberg made abundantly clear in his remarks before a Human Rights Subcommittee of the Foreign Relations Committee, this convention would not be applicable to criminal sanctions invoked for violations of court orders such as the ones which are issued under the National Labor Relations Act. Currently, when one is sent to prison for violating a valid injunction issued under the National Labor Relations Act, one is incarcerated for contempt of court. One is not jailed for striking even though the terms of the statute may forbid or prohibit certain types of activities. One is jailed for defying a court order.

Similarly, when one commits an assault, even though it might be in connection with a perfectly legal strike, one is not entitled to immunity. The offense for which the indictment is issued is not for exercising one's constitutional right to engage in strike activities. Rather, one is sent to jail under those circumstances for violating our criminal statutes outlawing assaults.

Thus, in both these instances, one cannot be jailed under our existing legal code for participating in a strike. The right to strike is considered to be one of the basic freedoms of those who work. One can be, however, sent to prison for violating a court order. Hence, Mr. Goldberg's interpretation is correct when he enunciates that the Forced Labor Convention would not contravene with any of our own legal rights or statutes.

We have been looking at Mr. Goldberg's analysis. But another former Sec-

retary of Labor, Willard Wirtz, has also taken the position that the ratification of this convention would definitely not conflict with our existing legal code. One would be hard put to challenge the legal expertise of these eminent lawyers and therefore their position on this convention seems most cogent and convincing to me.

Mr. President, if we believe in these conventions, then let us demonstrate this to the world by letting our actions correspond to our lipservice. Our inertia in acting upon this and the other Human Rights Conventions have dismayed those concerned citizens of the world sensitive to the plight of mankind while providing our adversaries with sufficient fodder for their propaganda machines. These conventions should be one of the most important items on our agenda.

As Arthur Goldberg has said:

Without the support of the United States, these agreements may appear insignificant to many other countries. If we do not consider it important to sign the conventions, why should they? Or more importantly, why should they implement the conventions?

FULBRIGHT PROGRAM FUNDING

Mr. MOSS. Mr. President, as this body well knows, one of the most successful and imaginative programs of our times has been the one devised by the distinguished chairman of the Senate Foreign Relations Committee (Mr. Fulbright) and given his name. Under it thousands of American scholars have had the opportunity to study and teach in foreign lands, and many thousands from other countries have had a similar opportunity to study and teach in the United States.

At a recent meeting in April in Philadelphia, the executive board of the Organization of American Historians, whose executive secretary is David E. Miller of the University of Utah, passed a resolution asking that the Fulbright program be expanded. I feel this is a very desirable objective, and ask unanimous consent that the resolution be carried in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

THE ORGANIZATION OF AMERICAN HISTORIANS,

June 3, 1969.

Dr. FRANCIS YOUNG,
Executive Secretary, Committee on International Exchange of Persons, Washington, D.C.

DEAR DR. YOUNG: In the name of the Organization of American Historians, an association representing nine thousand professional historians, and upon instructions of its Executive Board meeting in Philadelphia, April 16, 1969, I David E. Miller respectfully submit the following:

"Resolved: Whereas the Fulbright program affords opportunity for study and teaching in foreign countries and also affords foreign scholars a similar opportunity to study and teach in the United States, the Organization of American Historians vigorously urges that the Fulbright program be expanded to encourage more of this high quality international exchange;

"That one major obstacle to world peace has always been the lack of understanding among peoples of various nations, and the exchange of scholars under the Fulbright

program is one of the best ways to overcome this lack of understanding and thus promote better realtions between the United States and other nations;

"That funds to support an expansion of this important program are vital to the best interests of the United States."

Respectfully submitted.

DAVID E. MILLER,
Executive Secretary.

THE AGRICULTURAL APPROPRIATIONS BILL FOR FISCAL YEAR 1970

Mr. YARBOROUGH. Mr. President, Texas is one of this country's greatest agricultural States. Texas leads all others in the production of cattle, sheep, cotton, and rice. Texas stood fourth in value of agricultural receipts for 1967 with \$2.5 billion. Fifty-two percent of this came from livestock products and the rest came from crops.

More important than all of these, Texas has more farm families than any other State in the Union. It is the greatest stronghold of the family farmer in the United States. Great corporate agriculture has not liquidated the family farmer in Texas. There are over half a million users of REA power in my State alone.

I have always been a strong supporter of our farm programs, believing that a sound agricultural economy is basic to a sound national economy.

American agriculture is easily the most successful on earth. The contrast to the Soviet Union is inevitable; and such a comparison clearly demonstrates the superior productivity, given nearly equal resources, of our approach to farming. Our agricultural produce represents our biggest class of exports and is one of our greatest resources in the struggle to achieve a favorable balance of payments.

If we are to maintain the high levels of success of our agricultural programs, we must continue to finance them adequately.

On June 25, 1969, the Senate Committee on Appropriations, of which I am a member, reported out H.R. 11612, the appropriations bill for the Department of Agriculture and related agencies for fiscal year 1970.

This committee recognized its responsibility to determine national priorities and recommended \$750 million for the food stamp program, an increase of \$410 million over the administration's budget request.

The committee also recommended an appropriation of \$6,036,200 for the cooperative fire ant program. This is an increase of \$1 million over the budget request and will provide for an acceleration of eradication activities for this very serious pest introduced from other countries, and now exploding in the United States.

In some cases, however, the committee did not go far enough. The committee recommended \$185 million for the agricultural conservation program, a program which the administration had dropped from its budget. This is one of the most worthwhile programs I know, and I have supported it fully from the time I first came to the Senate in 1957. It reaches over a million farms each year

and results in the application of the greatest amount of conservation measures to the land at the lowest cost per acre of any similar program—\$185 million is too low. It should have been at least \$220 million. But this is \$185 million over the Bureau of the Budget recommendation, and I very strongly commend the very able chairman of the Senate Agriculture Appropriations Subcommittee, Senator SPESSARD HOLLAND, of Florida, whose thorough work and thorough understanding of agriculture has led to this restoration and much other good in this bill.

The Senate committee also resurrected the special milk program, which provides milk for school children, a program which the administration had abolished in its budget. The committee recommended a direct appropriation of \$84 million. This amount plus \$20 million available from section 32 funds will provide a total level of \$104 million for this program. This committee should have made at least a total of \$120 million available for milk for the schoolchildren of America. Milk is an indispensable part of the diet of children, and in this bountiful land none should go without it. But since the administration and its budgeteers tried to cut out the entire program, I think that the restoration of \$104 million was a great benefit, though a retreat from last year.

I have also been a long-time supporter of the Rural Electrification Administration program. This program has made an almost unbelievable contribution to the development of rural America. The Senate bill calls for \$340 million for the rural electrification program loans, an increase of \$20 million, and \$123.3 million for the rural telephone program loans. With an expected backlog of applications for \$440 million at the end of fiscal year 1969 and about \$275 million in applications anticipated in fiscal year 1970, a full \$715 million for loans is needed. The \$340 million in the rural electrification loans falls far short of what is needed to keep our rural economy growing. And the strength of this country is in growth, not in backing up.

The committee recommended \$46 million for rural water and waste disposal grants under the Farmers Home Administration, an increase of \$18 million over the Nixon administration's budget request. This program is essential to the development of rural America and is well below what is needed. The full \$52 million requested by the Johnson administration should have been recommended, but we did succeed in improving both the Budget Bureau requests and the House of Representative's appropriations.

The Great Plains conservation program is one of the real success stories. It has enabled farmers in the 10 Great Plains States to stabilize their farms and ranches and to reclaim their land which had been laid bare by high winds during the droughts of the 1930's and the mid-1950's. There are now 421 counties covered by this program. However, the job is not yet done. A recent survey in Texas indicated that the work accomplished under the program in the 98

counties in the 11 years of activity amounts only to from 10 to 15 percent of the conservation work needed in the area. Achievements would have been even greater had the funds been sufficient to meet the requests of all of the applicants. Over \$16 million were appropriated in fiscal year 1969. The administration had requested only \$14 million for this program which is critically important to the 20 million people living in the Great Plains area. The Senate committee recommended \$15 million. At least \$16 million should have been recommended, but the Senate committee recommendation is a distinct improvement over the Nixon budget.

Mr. President, I strongly regret that the war in Vietnam and our other defense activities put such a drain on our national resources that we cannot adequately finance all of our badly needed domestic programs.

It is difficult to judge the loss we as a whole people sustain when we provide too little funds and resources for programs such as the schoolchildren's milk program, the agricultural conservation program, the rural electrification program, and programs to provide water and sewer systems in rural areas. Frankly, I am shocked that the Nixon administration and the Bureau of the Budget would attempt to appropriate nothing, absolutely nothing, for milk for American schoolchildren and for the agricultural conservation program. I have been protesting the manner in which this administration has ordered its priorities, and their agricultural budget recommendations are a good illustration of the basis of my protest.

I would like to see the day when the Budget Bureau would apply the same paring knife to the military adventures overseas as it does to our agricultural and domestic budget at home. The great tragedy that results from this kind of emphasis is that we in the Congress, and we as a people, begin to lose sight of the true values and the desperate need of our society—our people—our economy. However, I also fully understand that we must economize in every way we can to protect our economy from the disastrous effects caused by rapidly increasing inflation. Although the Senate agricultural appropriations bill for fiscal year 1970 is not as complete as I would like to have it, I am thankful that it is far better than the administration's recommendations, and better than the House bill.

U.S. MEDICAL CARE FRONT

Mr. JAVITS. Mr. President, an article in Washington's Evening Star of June 23, 1969, depicts a recent conference of hospital administrators, health economists, and medical students concerned with the subject "medicine in the ghettos." The gross inadequacies in the health care afforded to the slum dwellers, of which the participants and we ourselves have become sadly cognizant, was once again reported upon. The frustration and unrest among the medical students and slum workers represented at the meetings was most significant. The time has come, they

stressed, for action, not words, and for some immediate relief to the wretched conditions that the poor face in health care. I, too, am convinced that we cannot delay any longer in meaningful action to cure these problems, and in seeking to assure every American of proper health service and facilities. We must give added priority to overcoming the severe shortages of health manpower and the obsolete conditions of hospitals, and to developing new programs for disease and malnutrition; so that the cry of the conference's participants will be heard by all. Mr. President, I ask unanimous consent that this newspaper article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNREST ON THE U.S. MEDICAL CARE FRONT (By Judith Randal)

If a three-day meeting at an old resort hotel in New Hampshire is any valid indication, the nation is in for a confrontation on the health front much like those that have already arisen over housing, education and jobs.

It was an improbable encounter of the smooth-shaven establishment of medical school deans, hospital administrators and health economists with the bearded young, the blacks, plus a few older participants and inner-city poor thrown in for good measure. Wentworth-on-the-Sea hadn't seen so much action since 1905 when Theodore Roosevelt convened the talks there that led to ending the Russo-Japanese War.

The theme of the meeting was medicine in the ghettos. Its sponsors were the Harvard medical school, the Boston Globe newspaper, and an arm of the Department of Health, Education and Welfare.

The meeting got off to a somewhat inauspicious start when Melvin H. King, a black Bostonian who directs the New Urban League there, charged that a neighborhood health center in Mississippi operated by Boston's Tufts Medical School with funds from the poverty program was latter-day "carpet-bagging of the most racist sort."

The predominantly white liberal audience, accustomed to such scolding from black militants, held its peace. But as the session wore on, emotions built up.

Medical students and others in the audience rose to say that the conference as planned wasn't telling them anything about the lack of health care in the ghettos that they didn't already know.

Said one participant, "Listening to the speakers, I'm reminded of the World War II kamikaze pilot who had flown 40 missions—too many of us are involved but not committed." Why not, he suggested, outline some plan for action that would come to grips with these all-too-familiar problems.

In an evening session that lasted well past 1 a.m., a group of young Negroes led by Dr. Rodney N. Powell, director of a neighborhood health center in the Watts section of Los Angeles, backed two high federal officials into a corner. They wanted to know whether HEW's health efforts for the inner city were as far as the department was prepared to go.

Dr. Joseph T. English, administrator of HEW's Health Services and Mental Health Administration, and his deputy, Irving J. Lewis, went through their budget line by line. By the time they had finished it was clear that they have little discretion on spending because most of the money was designated years in advance for projects that have little or nothing to do with slums.

"Ladies and gentlemen," Powell interjected, "we are having a conference on medicine in the ghetto and there is no money available—that speaks for itself."

Rashi Fein, a Harvard economist with broad experience in Washington, saw the melancholy rendition of facts and figures in a different light.

"As I listen to the moneys that aren't available," he said, "I conclude that the single most important vote on health legislation that will come up in Congress this year is the vote on the ABM (antiballistic missile)."

There was, as the dialogue progressed, something of the old-fashioned revival meeting about the proceedings. Blacks wanted to know what white professionals were prepared to do about racism and lack of opportunity for Negroes working at menial hospital jobs. A spokesman for the American Hospital Association said his organization deplored such conditions as provoked the current hospital workers' strike in Charleston, S.C., but was powerless to do much about them.

On the other hand, Dr. Leonard Cronkhite, administrator of Children's Hospital Medical Center in Boston, said that at his institution blacks are not only paid standard wages, but also are encouraged with a tuition assistance program to improve their skills so they can move up.

What is more, Cronkhite said, he makes sure department heads are giving Negro subordinates a fair shake. "In the last 12 months," he said "I have fired four department heads for pure and simple racism."

The medical students and others, many of them veterans of the battle for medical reform, had drafted a set of resolutions designed to end the present disparities in health care available to the indigent and the solvent.

Ranging from proposals to train more black doctors and put more emphasis on preventive medicine to plans that would allow ghetto physicians to treat their patients in hospitals, the resolutions dealt fundamentally with efforts to change a costly and discriminatory system that makes second-class citizens, medically, of the poor and bleeds the middle class.

Tomorrow or the day after, participants kept saying, Wentworth-on-the-Sea will again fade into obscurity and the first nationwide conference on ghetto medicine, together with its resolutions and rhetoric, will probably be forgotten.

This well may be. But perhaps Dr. John Knowles, the original choice for assistant secretary for health and the final luncheon speaker, was closer to the mark. Speaking of the inequality in health care the poor now face, he warned that "the fires of revolution have not been banked in this country and the smoke is still rising."

THE LITTLE THINGS THAT COUNT

Mr. HART. Mr. President, J. Edgar Hoover, Director of the Federal Bureau of Investigation, kindly sent me an advance copy of the July issue of the FBI Law Enforcement Bulletin.

The issue contains an article written by Loren M. Pittman, River Rouge police chief, entitled "It's the Little Things That Count."

The story commends the alertness of River Rouge Patrolmen Ted Washington and Arthur Welch, Jr., in solving an assault case.

Chief Pittman makes two points:

That police officers work under the strain of remaining constantly alert, and that crimes can be solved and airtight cases built by such alertness.

The article by Chief Pittman is a refreshing commentary on police methods in this day of complaints about restraints put on the ability of the police to solve crimes.

This importance, the difficulties and the demands on the policeman in our troubled days, is one everyone should recognize and give constructive aid.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT'S THE LITTLE THINGS THAT COUNT (By Loren M. Pittman)

Everything was quiet and peaceful on the wintry Sunday evening in River Rouge, Mich.—quieter than usual perhaps, for few persons ventured outside their warm homes after a storm had dumped nearly a foot of fresh snow on the ground earlier in the day.

The snow made driving extremely hazardous, and the police on the afternoon shift of this cold, blustery day had been kept busy answering distress calls of motorists involved in minor traffic accidents caused by icy road conditions.

Two River Rouge patrolmen, Ted Washington, a veteran of 9 years, and his partner, Arthur Welch, Jr., with 7 months on the force, had already handled a number of traffic tieups, so they were not too surprised when they saw a white sedan sliding through a stop sign at an intersection ahead of them.

OFFICERS WARN MOTORIST

Motioning the driver over, the officers warned him about the icy roads and cautioned him to go slowly and carefully. They issued no ticket because there was no traffic in the area.

Although issuing only a warning, the officers did record the driver's name and address and that of his passenger. They also logged the make, license number, and description of the automobile, and the time, 9:15 p.m. All this was routine police procedure.

A few minutes later another young male motorist drove up in front of a church in River Rouge. Accompanied by his 20-year-old fiancée and his sister, this young man had risked the icy roads in order to provide transportation for a priest who was awaiting them at the parish rectory. He let his fiancée and sister off in front of the rectory and dutifully drove around the corner to park his car because there was a "No Standing" sign in front of the church.

MAN STABBED ON STREET

While walking back to the rectory, he noticed a car pulling to the curb near him and watched as a man got out from the passenger side and approached him. He attempted to walk around the stranger, who suddenly, and for no apparent reason, plunged a knife into his chest—once, twice, three times, and, as he fell forward, the assailant struck a fourth blow, this time into his victim's back, before turning and fleeing back to the waiting automobile.

Although seriously wounded and unable to call out, the victim somehow managed to drag himself through the snow to the rectory before collapsing on the floor.

A telephone call quickly brought Det. Lt. Edgar O'Hara and Det. Sgt. Gene Barnes to the scene.

The victim of the brutal attack was unable to give the detectives more than a brief description of his assailant, but he said the car was "old and a dirty white."

This information gave the two detectives little to work with, but they quickly put out a police broadcast to watch for a car matching that description.

Advised by our police dispatcher that a 22-year-old man had just been brutally stabbed and left lying on the street in front of a church rectory he was about to enter, we knew that we were confronted with the type of vicious, wanton, senseless street crime that is almost impossible to prevent—and nearly as impossible to solve.

Where do you begin?

There was no apparent motive, because the victim was not robbed. He lived miles away from the area where he was attacked and was a complete stranger to the neighborhood. The vicinity around the church is a quiet, residential area from which relatively few police calls are received.

The victim was a law-abiding young man with no known enemies and was assaulted without provocation. There had been no argument or contact between the victim and his assailant prior to the stabbing.

ATTENTION TO DETAILS

Fortunately, we solved this case in less than a day because two police officers paid attention to routine details and never relaxed for a moment as they performed their daily police duties. The assailant pled guilty to assault to commit great bodily harm less than murder.

Even the extraordinary can become routine if it is done over and over enough times. And this is often where a policeman gets into trouble. He can stop a thousand speeders and go through the routine of issuing tickets again and again. He can relax on ticket 1,001 and get his head blown off. He can answer 500 family arguments, and just about the time he considers 501 a "routine" call, he's met at the door by an irate husband jabbing a shotgun in his face.

Two officers who heard the radio broadcast of the stabbing were Patrolmen Washington and Welch, who were still on routine patrol duty. Both officers recalled the car they had stopped a few minutes before. It, too, was "old and a dirty white" and a 1959 model of a popular make.

The officers knew that the traffic offender had had sufficient time to reach the vicinity of the assault scene and that his car matched the description of the wanted vehicle.

The two patrolmen relayed their information to the detectives and, suddenly, the pieces of the mystery began to fall into place.

Meanwhile, the victim, lying in critical condition in a nearby hospital, began to recall additional details of the attack. He was "nearly certain" that his assailant had dropped his knife in the snow as he fled to the car.

Detectives O'Hara and Barnes, with the help of other officers, began a slow and careful search in the foot of fresh snow, and after several hours of shoveling and sifting, they found a switchblade knife.

They also checked with the records bureau and learned that a 1959 white car was registered in the name of a Detroit woman, who was later identified as the traffic violator's mother.

ARREST MADE

By Monday afternoon the detectives had located the car and arrested the driver, 19, and his passenger, 21, at the latter's home in River Rouge.

When questioned by officers, the 21-year-old man signed a voluntary statement confessing the stabbing.

The success of solving this case only reinforces the old adage. "It's the little things that count."

Law enforcement authorities across the Nation constantly stress that the police officer leads a hazardous life and that his greatest danger is carelessness.

A policeman can never afford to relax, to skip details, or to look the other way, when, for example, a motorist fails to stop at an icy intersection.

Because two River Rouge patrolmen did their job correctly—even though they had no intention of issuing a ticket—our detectives had the names and addresses of two men as well as the license number of a car matching that of a vehicle possibly used in an attempted murder.

Again, attention to routine matters paid off—a valuable lesson to remember.

b. Program analyses submitted to the Bureau of the Budget in support of legislative and budget programs.

This Circular does not supersede agency practices which are prescribed by or pursuant to law, Presidential directive, or Bureau of the Budget Circular No. A-76. Except for situations covered by Circular A-76, agencies should evaluate their programs and projects in accordance with existing requirements and prepare an additional evaluation performed in accordance with the procedures and policies prescribed in this Circular. Evaluation of programs or projects covered under Circular A-76 need not be accompanied with an additional evaluation.

4. *Preparation and presentation.* Analytic documents submitted to the Bureau of the Budget should contain the following information as needed to evaluate and compare programs or projects:

a. *Expected yearly cost.* The expected annual dollar value of goods and services required to establish and carry out a program or project. Estimates of expected yearly costs will be based on established definitions and practices developed by agencies for program and project evaluation.

b. *Expected yearly benefit.* The dollar value of goods and services expected to result from a program or project for each of the years it is in operation. Estimates of expected yearly benefits will be based on established definitions and practices developed by agencies for program and project evaluation.

c. *Expected yearly output.* An objective, nonmonetary measure of program performance expected for each of the years a program or project is in operation. When dollar value cannot be placed on the performance of comparable programs or projects, an objective measure of output may be available and useful. For example, the pounds of meat and meat products inspected could be used as an output measure when evaluating alternative Federal meat inspection programs.

For some programs or projects, estimation of expected yearly costs, benefits, or outputs will not be feasible or appropriate. Consultation with the Bureau of the Budget is recommended in these cases.

d. *Discount rate.* The interest rate used in calculating the present value of expected yearly costs and benefits or outputs.

e. *Discount factor.* The coefficient which translates expected cost and benefit or output in any specific future year under any specific discount rate into its present value. (The discount factor is more specifically defined as $1/(1+r)^t$, where r is the discount rate and t is the number of years since the inception date of a program or project.)

f. *Present value cost.* Each year's expected yearly cost multiplied by its discount factor and then summed over all future program years.

g. *Present value benefit.* Each year's expected yearly benefit multiplied by its discount factor and then summed over all future program years.

h. *Present value output.* Each year's expected yearly output multiplied by its discount factor and then summed over all future program years. This information may be useful when the performance of comparable programs or projects cannot be valued in dollar terms and when these programs or projects have different patterns of output distribution over time. Units of expected yearly output can be adjusted to reflect changes in the value of physical output over time.

i. *Present value net benefit.* The difference between present value benefit (item g) and present value cost (item f).

j. *Benefit-cost ratio.* Present value benefit (item g) divided by present value cost (item f). (For water resource project evaluation, the benefit-cost ratio is defined as "annual benefits" divided by "annual costs.")

k. *Output-cost ratio.* Present value output (item h) divided by present value cost (item f). Estimation of the output-cost ratio may be useful subject to the qualifications in item h above.

1. *Internal rate of return.* The discount rate which equates present value cost and present value benefit. Estimation of the internal rate of return is recommended but not required. In most instances, ranking of alternatives according to internal rate of return will be identical to their ranking according to benefit-cost ratio.

Attachment A contains an example which illustrates calculation of the present value information.

5. *Discount rate policy.* a. The discount rate used to evaluate programs and projects should not be lower than the discount rate established by the Water Resources Council, related to the current yield on Government bonds. The formula used to compute this rate is defined in the December 24, 1968, issue of the *Federal Register*, Volume 33, page 19170.

b. The Bureau of the Budget will request specific higher rates for particular projects or program evaluation efforts. Agencies should include in their analyses present value estimates of costs, benefits, and outputs based on these rates. (A study of the interest rate representing opportunities foregone in the private sector is being made and will be available later in the year.)

To assist in calculation, Attachment B contains discount factors for discount rates of 4½ percent—the discount rate established by the Water Resources Council for fiscal year 1970, and of 10.0 percent for each of the years from one to fifty.

6. *Uncertainty and risk.* Since future events cannot be predicted with certainty, yearly costs and benefits actually realized in the future are liable to differ from the values

expected for them in the present. In some cases, the range of variation can be anticipated and the sensitivity of proposed programs or projects to future contingencies can be evaluated.

a. The "most likely" estimates of expected yearly costs and benefits should be supplemented with minimum and maximum estimates. Present value total cost and benefit should be calculated for each of these estimates. The likelihood that each of the possible benefit and cost estimates will occur also should be discussed.

b. Uncertainty and risk should be treated explicitly in alternative calculations of expected yearly benefits and costs. Generally, uncertainty should not be reflected in the discount rate.

7. *Interpretation.* Questions concerning interpretation of this Circular should be addressed to the Assistant Director for Program Evaluation, Bureau of the Budget.

8. *Effective date.* The provisions of this Circular are effective July 1, 1969.

ROBERT P. MAYO,
Director.

[Attachment A, Circular No. A-94]

SAMPLE FORMAT FOR DISCOUNTING DEFERRED COSTS AND BENEFITS

Assume a ten-year program which will commit the Government to the stream of expenditures appearing in column (2) of the table below and which will result in a series of benefits appearing in column (3). The discount factor for a 10 percent discount rate is presented in column (4). Present value cost for each of the ten years is calculated by multiplying column (2) by column (4); present value benefit for each of the ten years is calculated by multiplying column (3) by column (4). Present value costs and benefits are presented in columns (5) and (6), respectively.

Year of operation (1)	Expected yearly cost (2)	Expected yearly benefit (3)	Discount factor for 10 percent (4)	Present value cost (col. (2) × col. (4)) (5)	Present value benefit (col. (3) × col. (4)) (6)
1	\$10	0	0.909	\$9.1	0
2	20	0	.826	16.5	0
3	30	\$5	.751	22.5	\$3.8
4	30	10	.683	20.5	6.8
5	20	30	.621	12.4	18.6
6	10	40	.564	5.6	22.6
7	5	40	.513	2.6	20.5
8	5	40	.467	2.3	18.7
9	5	40	.424	2.1	17.0
10	5	25	.386	1.9	9.7
Total				95.5	117.7

The sum of col (5) is present value cost: \$95.5.

The sum of col (6) is present value benefit: \$117.7.

Present value net benefit is the difference between present value total benefit and present value total cost: \$117.7—\$95.5=\$22.2.

The benefit-cost ratio is 117.7/95.5=1.23.

Note: For more difficult discounting problems, a recommended reference is "Principles of Engineering Economy," by Eugene L. Grant and W. G. Ireson, Ronald Press Co., 1960.

ATTACHMENT B—CIRCULAR NO. A-94

DISCOUNT FACTORS

Year of operation	Discount factors for alternative discount rates ¹	
	4½%	10
1	0.953516	0.909091
2	.909193	.826446
3	.866930	.751315
4	.826632	.683013
5	.788207	.620921
6	.751568	.564474
7	.716632	.513158
8	.683320	.466507
9	.651557	.424098
10	.621270	.385543
11	.592391	.350494
12	.564854	.318631
13	.538598	.289664
14	.513561	.263331
15	.489689	.239392
16	.466926	.217629
17	.445222	.197845
18	.424526	.179859

ATTACHMENT B—CIRCULAR NO. A-94—Continued

DISCOUNT FACTORS—Continued

Year of operation	Discount factors for alternative discount rates ¹	
	4½%	10
19	0.404793	0.163508
20	.385976	.148644
21	.368035	.135131
22	.350927	.122846
23	.334614	.111678
24	.319060	.101526
25	.304229	.092296
26	.290087	.083905
27	.276603	.076278
28	.263745	.069343
29	.251485	.063039
30	.239795	.057309
31	.228649	.052099
32	.218020	.047362
33	.207886	.043057
34	.198222	.039143

Footnote at end of table.

ATTACHMENT B—CIRCULAR NO. A-94—Continued

DISCOUNT FACTORS—Continued

Year of operation	Discount factors for alternative discount rates ¹	
	4%	10
35.....	0.189008	0.035584
36.....	.180222	.032349
37.....	.171845	.029408
38.....	.163857	.026735
39.....	.156240	.024304
40.....	.148978	.022095
41.....	.142053	.020086
42.....	.135449	.018260
43.....	.129153	.016600
44.....	.123150	.015091
45.....	.117425	.013719
46.....	.111967	.012472
47.....	.106762	.011338
48.....	.101799	.010307
49.....	.097067	.009370
50.....	.092555	.008519

¹ The discount factors presented in the table above implicitly assume end-of-year lump-sum costs and returns. When costs and returns occur in a steady stream, applying midyear discount factors may be more appropriate. Present value cost and benefit computed from this table can be converted to a midyear discounting basis by multiplying them by the following adjustment factors:

For a 4% percent discount rate: 1.024085.

For a 10 percent discount rate: 1.048809.

For example, if the present value cost of a series of annual expenditures computed from the above table at a 10 percent discount rate is \$1,200, the present value cost on a midyear discounting basis is \$1,200 x 1.048809 or \$1,258.57.

Note: When applied to both costs and benefits, this adjustment does not affect benefit-cost ratios.

SENATOR BYRD OF WEST VIRGINIA DISCUSSES NEW MARKETING PROSPECTS FOR COAL

Mr. BYRD of West Virginia. Mr. President, I made a statement for radio broadcast regarding the magnetohydrodynamics process for producing electricity.

I ask unanimous consent that the transcript of that statement be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

A NEW PROSPECT FOR COAL

West Virginians have long been hopeful that increased markets for coal could be found to provide more employment in the mines and to provide larger payrolls. A long campaign has been carried on to reduce the flow of foreign residual oil into the United States. Efforts have been made to win back industrial plants from other fuels. And now research is being pushed to make the conversion of coal into fuel gas and into gasoline commercially practical.

All of these things have merit. The efforts should continue, especially those that seek to produce fuel gas and gasoline from coal. I am confident that undertakings such as "Project Gasoline," which I have long been pushing at Cresap, in Marshall County, W. Va., in an effort to produce a commercial gasoline that is competitive in price with petroleum gasoline, hold great promise for the future.

But I am also very much encouraged at this point by two developments in the electric utility field that I believe augur well for coal and its future.

The first is the fact that the widely-held belief of a few years ago that nuclear-powered electric generating plants might replace coal-fired plants is fading. It is very difficult to dispose of the water that must be used to cool such nuclear-powered electric generating

plants. The cooling water becomes heated to temperatures so high that returning it to lakes and rivers kills the fish and other aquatic life. The number of applications from utilities to build nuclear power plants has declined, instead of increasing.

The second development involves the so-called MHD process for producing electricity. MHD stands for magnetohydrodynamics—quite a mouthful to say—but it is a word, nevertheless, which may become much more familiar in the next few years.

The new possibility of producing electricity by this method stems from our space-flight research—so here is a sort of side benefit of America's efforts to put a man on the moon. This research has produced new metals and ceramics that can withstand extremely high temperatures.

The MHD process for producing electricity, it is believed, could be adapted to present steam generating plants, considerably increasing their efficiency in the use of coal. The theory was established by Michael Faraday, the great electrical pioneer, more than a hundred years ago. But it has never been practical up to now because there were no metals or other materials that could withstand the very high temperatures that would be necessary.

What is needed now is additional research on the practical, commercial application of the process. A federal study just completed favors government fundings of MHD research and development.

It is my intention to press for such research. Nearly three billion dollars has already been expended by the federal govern-

ment on nuclear research and development, and the current annual expenditure for nuclear research is approximately 290 million dollars, compared with only twenty million dollars for coal research. It is believed that only a few million dollars would be needed to make the MHD process for producing electricity a reality.

I shall make every effort to open the door to this new use for coal.

LIMITATION ON FARM PAYMENTS TO \$10,000 PER PRODUCER FOR EACH 1970 PROGRAM IN COTTON, WHEAT, AND FEED GRAINS

Mr. GOODELL. Mr. President, yesterday I submitted an amendment to H.R. 11612, the Agriculture Appropriations Act for 1970, which would limit the price support and acreage diversion payments under each of the 1970 price support and adjustment programs of upland cotton, extra long staple cotton, wheat, and feed grains to a single producer to \$10,000.

For the benefit of my colleagues who will be considering this amendment, I ask unanimous consent to insert in the RECORD a table provided by the Department of Agriculture which lists by State those producers receiving \$10,000 or more from specified programs in 1968.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2C.—PRODUCERS RECEIVING \$10,000 OR MORE FROM SPECIFIED PROGRAMS, 1968

	All programs	Cotton	Feed grain	Wheat	Wool	Sugar
Alabama.....	900	723	21			
Arizona.....	886	802	38	6	21	14
Arkansas.....	1,612	1,571		5		
California.....	2,018	1,564	31	75	110	271
Colorado.....	887		107	324	67	37
Connecticut.....						
Delaware.....	9		4			
Florida.....	152	14	17			96
Georgia.....	1,021	555	100	1		
Idaho.....	532			310	67	72
Illinois.....	808	1	570	6	52	
Indiana.....	570		369	2		
Iowa.....	858		759	1	1	
Kansas.....	1,891		222	615		15
Kentucky.....	82	6	42	1		
Louisiana.....	973	682	4	1		243
Maine.....						
Maryland.....	20		11			
Massachusetts.....						
Michigan.....	149		40	2		4
Minnesota.....	384		191	26		14
Mississippi.....	2,308	2,202	5	2		
Missouri.....	942	231	352	5		
Montana.....	1,044		3	796	47	8
Nebraska.....	1,008		509	78	3	5
Nevada.....	37	11		4	20	
New Hampshire.....						
New Jersey.....	10		3			
New Mexico.....	819	224	221	76	40	2
New York.....	27		7	1		
North Carolina.....	325	163	52			
North Dakota.....	649		4	330	1	9
Ohio.....	273		129	4		3
Oklahoma.....	745	144	18	219		
Oregon.....	360		1	303	18	12
Pennsylvania.....	27		16			
Rhode Island.....						
South Carolina.....	735	519	20			
South Dakota.....	374		57	84	20	
Tennessee.....	459	341	16			
Texas.....	10,542	5,342	1,411	562	326	8
Utah.....	141			39	81	2
Vermont.....						
Virginia.....	32	2	13			
Washington.....	1,103		3	964	9	30
West Virginia.....						
Wisconsin.....	91		62			
Wyoming.....	176			19	128	11
Alaska.....	2				2	
Hawaii.....	27					27
U.S. total.....	36,008	15,097	5,428	4,861	963	883

Calendar No. 269

91ST CONGRESS
1ST SESSION

H. R. 11612

IN THE SENATE OF THE UNITED STATES

JULY 2, 1969

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. JAVITS to H.R. 11612, an Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, viz:

1 On page 19, line 12, delete “\$84,000,000” and insert in
2 lieu thereof the following: “\$104,000,000: *Provided*, That
3 \$20,000,000 shall be available for milk for needy children
4 in nonprofit high schools and schools at lower levels, child-
5 care centers, summer camps, and similar nonprofit institu-
6 tions devoted to the care and training of children”.

Amdt. No. 61

Amdt. No. 61

Calendar No. 269

**91ST CONGRESS
1ST SESSION**

H. R. 11612

AMENDMENT

Intended to be proposed by Mr. JAVRS to
H.R. 11612, an Act making appropriations
for the Department of Agriculture and re-
lated agencies for the fiscal year ending
June 30, 1970, and for other purposes.

JULY 2, 1969

Ordered to lie on the table and to be printed

Calendar No. 269

91ST CONGRESS
1ST SESSION

H. R. 11612

IN THE SENATE OF THE UNITED STATES

JULY 2, 1969

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. JAVITS (for himself, Mr. BROOKE, Mr. HART, and Mr. MONDALE), to the bill H.R. 11612, an Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, viz:

- 1 On page 20, line 2, delete "\$100,000,000" and insert
- 2 in lieu thereof, "\$120,000,000".

Amdt. No. 62

AMENDMENT

Intended to be proposed by Mr. JAVRS (for himself, Mr. BROOKE, Mr. HART, and Mr. MONDALE) to the bill H.R. 11612, an Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

JULY 2, 1969

Ordered to lie on the table and to be printed

Calendar No. 269

91ST CONGRESS
1ST SESSION

H. R. 11612

IN THE SENATE OF THE UNITED STATES

JULY 2, 1969

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. JAVITS (for himself, Mr. BROOKE, Mr. HART, Mr. KENNEDY, and Mr. MONDALE), to the bill H.R. 11612, an Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, viz:

- 1 On page 18, line 18, delete "\$10,000,000" and insert in
- 2 lieu thereof "\$20,000,000".

Amdt. No. 63

AMENDMENT

Intended to be proposed by Mr. JAVITS (for himself, Mr. BROOKE, Mr. HART, Mr. KENNEDY, and Mr. MONDALE) to the bill H.R. 11612, an Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

JULY 2, 1969

Ordered to lie on the table and to be printed

July 7, 1969

SENATE

1. APPROPRIATIONS. Passed, 88-2, with amendments H. R. 11612, the agricultural appropriation bill (pp. S7605-40).

Adopted the following amendments:

By a vote of 53-34 a committee amendment to eliminate language that would limit to \$20,000 payments to any producer in any price support program. pp. S7605-24

Two committee amendments increasing funds for plant and animal disease and pest control. pp. S7624-25

By Sen. Javits to increase from \$10,000,000 to \$15,000,000 special food service program funds, to remain available until Sept. 1971. pp. S7625-27

Committee amendments providing funds for special milk program, and milk for children in non-profit organizations. p. S7628

By Sen. Pastore to eliminate the proviso directing the Secretary of Agriculture to consider certain factors in determining the eligibility for food programs to relieve hunger. p. S7635

By Sen. Hart to bar the use of funds for purchase or application of chemical pesticides, except for small quantities for testing purposes, in any State which by law or regulation would prevent the use of such pesticide. pp. S7636-39

By Sen. Mundt to increase from \$2,000,000 to \$3,000,000 funds for mutual and self-help housing. p. S7639

Rejected, 26-65, a motion by Sen. Goodell to suspend the rules for the purpose of proposing an amendment to limit the price support and acreage diversion payments under each of the 1970 price support and adjustment programs of upland cotton, extra long staple cotton, wheat, and feed grains, to a single producer to \$10,000 and to provide that the "snap-back" provision not apply to the 1970 crop of cotton. (pp. S7628-32). Prior to this action a point of order raised by Sen. Holland was sustained on the ground that the amendment would constitute legislation on an appropriation bill (p. S7631).

Conferees were appointed (p. S7640). House conferees have not been appointed.

2. APPALACHIA. The Public Works Committee reported (on July 3 during adjournment) with amendments S. 1072, to authorize funds to carry out the purposes of the Appalachian Regional Development Act of 1965, as amended, and title V of the Public Works and Economic Development Act of 1965, as amended (S. Rept. 91-291). p. S7561

3. FOOD STAMPS. The Agriculture and Forestry Committee reported (on July 7 during adjournment) S. 2547, an original bill to amend the Food Stamp Act of 1964 (S. Rept. 91-292). p. S7561

4. CLEAN WATER. Sen. Muskie inserted a list of organizations which have "launched a citizens' crusade for clean water." pp. S7575-77

5. LAND ACQUISITION. Sen. Symington discussed a GAO report "pointing out what the auditors believed to be errors" in the Depts. of Army and Interior joint policy for reservoir land acquisition. pp. S7586-7

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued July 8, 1969
For actions of July 7, 1969
91st 1st No. 111

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HIGHLIGHTS: Senate passed agricultural appropriation bill. Senate committees reported food stamp and Appalachian regional development bills. Sen. Talmadge introduced and discussed bill to provide improved food service programs for children.

CONSUMER FEDERATION OF AMERICA STUDY OF TAX-FREE DIVIDENDS PAID BY PRIVATE POWER COMPANIES IN 1968—Continued

	Tax-free dividends paid in 1968	Percent of total dividends tax free in 1968	Total tax-free dividends since 1954 ¹
The following power companies have been merged into other utility systems:			
California Electric Power ¹⁰			\$15,345,062
California Oregon Power ¹¹			18,333,924
Connecticut Light & Power ¹²			26,348,153
Connecticut Power ¹³			1,340,731
Essex County Electric ¹⁴			565,796
Hartford Electric Light ¹⁵			30,977,031
Haverhill Electric ¹⁶			176,474
Lawrence Electric ¹⁷			466,917
Lowell Electric Light ¹⁸			522,886

	Tax-free dividends paid in 1968	Percent of total dividends tax free in 1968	Total tax-free dividends since 1954 ¹
The following power companies have been merged—Continued			
Merrimack-Essex Electric ¹⁰			\$2,649,636
Rockland Light & Power ¹⁷			2,783,439
Southern Berkshire Power & Electric ¹⁸			190,646
Suburban Electric ¹⁰			1,480,291
Weymouth Light & Power ¹⁸			435,990
Worcester County Electric ¹⁸			5,117,085
Total			106,734,061
Total tax-free dividends since 1954			1,558,754,138

¹ Not all companies paid tax-free dividends in all years from 1954 through 1968. For year-by-year breakdown, see Nov. 30, 1961, Jan. 7, 1963, Oct. 21, 1963, July 20, 1964, July 23, 1965, ECIC Newsletters; Oct. 25, 1966, and July 25, 1967, CIC Newsletters; and CFA "Consumers, Taxes, and Utilities," Sept. 16, 1968.

² 12.3 percent of Mar. 1, June 1, and Sept. 1 dividends only.

³ 21 percent of July dividend; 25 percent of October dividend.

⁴ 3.4 percent of January dividend; 19.8 percent of April, July, and October dividends.

⁵ Estimated 40 to 45 percent; for purposes of this study, 40 percent has been used.

⁶ 51.37 percent of Mar. 15 and June 15 dividends; 49.86 percent of Sept. 15 and Dec. 15 dividends.

⁷ 22.12 percent of Mar. 1, June 1, and Sept. 1 dividends; 13.5 percent of Dec. 1 dividend.

⁸ 14 percent of August dividend; 21 percent of November dividend.

⁹ 16.71 percent of January dividend; 21.62 percent of April, July, and October dividends.

¹⁰ Merged with Southern California Edison Co., 1963.

¹¹ Merged with Pacific Power and Light, 1961.

¹² Subsidiary of Northeast Utilities, 1967.

¹³ Merged with Hartford Electric Light, 1956.

¹⁴ Name changed to Merrimack-Essex, 1957.

¹⁵ Merged with Merrimack-Essex, 1957.

¹⁶ Merged with Massachusetts Electric Co. (part of New England Electric System), 1962.

¹⁷ Name changed to Orange & Rockland Utilities, 1958.

¹⁸ Merged with Massachusetts Electric Co. (part of New England Electric System), 1961.

Sources: For percent of dividend payments considered tax free by companies, Prentice-Hall's "Capital Adjustments" and Moody's "Public Utilities" and "Dividend Record" services. For total dividend payments, company reports to FPD and Moody's services. Computations by Consumer Federation of America, Inc. Dividend payments are those made on common stock, except where noted. Where company paid tax-free dividends on both common and preferred, each is identified: (C) on common stock; (P) on preferred stock.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1970

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

UNANIMOUS CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at 2 o'clock a vote be taken on the committee amendment relating to the \$20,000 limitation on farm payments.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HOLLAND. Mr. President, I think the Senator's request also should cover the matter of taking up the committee amendment on limitations now, out of order, because in the regular order it would come after some other

amendments, inasmuch as there are several amendments which we have not approved which precede that amendment.

Mr. MANSFIELD. The Senator is correct. Mr. President, I amend my unanimous-consent request accordingly.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I also ask unanimous consent that the time until 2 o'clock be equally divided between the distinguished Senator from Florida (Mr. HOLLAND) and the distinguished Senator from Delaware (Mr. WILLIAMS).

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. There should be added to the unanimous consent agreement that beginning at 2 o'clock there will be a live quorum.

Mr. HOLLAND. I suggest the live quorum be called now.

Mr. DIRKSEN. Yes.

Mr. MANSFIELD. Very well; the vote at 2 o'clock and the time divided.

Mr. President, I suggest the absence of a quorum. Attachés should notify Senators that it will be a live quorum.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The clerk will call the roll.

The bill clerk called the roll, and the following Senators answered to their names:

[No. 52 Leg.]		
Aiken	Goldwater	Murphy
Allen	Goodell	Pastore
Baker	Hansen	Pell
Boggs	Hart	Randolph
Burdick	Holland	Saxbe
Byrd, Va.	Hollings	Sparkman
Byrd, W. Va.	Hruska	Stennis
Cook	Inouye	Talmadge
Curtis	Javits	Williams, N.J.
Dirksen	Jordan, N.C.	Williams, Del.
Dominick	Jordan, Idaho	Young, N. Dak.
Eagleton	Mansfield	Young, Ohio
Ellender	McGee	
Fannin	Moss	

Mr. KENNEDY. I announce that the Senator from Washington (Mr. MAGNUSON), and the Senator from Wisconsin (Mr. NELSON) are absent on official business.

I also announce that the Senator from

New Mexico (Mr. ANDERSON), the Senator from Nevada (Mr. CANNON), the Senator from Alaska (Mr. GRAVEL), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

Mr. SCOTT. I announce that the Senator from Michigan (Mr. GRIFFIN) is absent on official business.

The Senator from Vermont (Mr. PROUTY) is necessarily absent.

The Senator from Massachusetts (Mr. BROOKE), the Senator of New Hampshire (Mr. COTTON), the Senator of Florida (Mr. GURNEY), and the Senator of Pennsylvania (Mr. SCHWEIKER) are detained on official business.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the presence of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana. The motion is agreed to, and the Sergeant at Arms will carry out the order of the Senate.

After a little delay, the following Senators entered the Chamber and answered to their names:

Allott	Harris	Mundt
Bayh	Hartke	Muskie
Bellmon	Hatfield	Packwood
Bennett	Hughes	Pearson
Bible	Jackson	Percy
Case	Kennedy	Proxmire
Church	Long	Russell
Cooper	Mathias	Scott
Cranston	McCarthy	Smith
Dodd	McClellan	Spong
Dole	McGovern	Stevens
Eastland	McIntyre	Symington
Ervin	Metcalf	Thurmond
Fong	Miller	Tower
Fulbright	Mondale	Yarborough
Gore	Montoya	

The PRESIDING OFFICER. A quorum is present.

The Chair lays before the Senate the committee amendment having to do with the limitation on payments which the clerk will read.

The legislative clerk read as follows:

On page 23, line 14, after the word "regulations", strike out the colon and "Provided further, That no part of the funds appropriated by this act shall be used to formulate or

carry out any price support program (other than for sugar) under which payments aggregating more than \$20,000 under all such programs are made to any producer on any crop planted in the fiscal year 1970."

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, the vote on this amendment will occur at the hour of 2 o'clock p.m. today, the time between now and 2 p.m. to be equally divided between the Senator from Florida (Mr. HOLLAND) and the Senator from Delaware (Mr. WILLIAMS).

Mr. HOLLAND. Mr. President, I first yield 2 minutes to the distinguished junior Senator from North Dakota (Mr. BURDICK).

Mr. BURDICK. Mr. President, some of us have been rather disturbed by the fact that there is now the largest backlog of REA applications in history; estimated at 714 million; yet the House Appropriations Committee appropriated only \$320 million for this purpose. The Senate committee raised that figure by \$20 million, for which we are grateful. I wish to call your attention to the language in the committee report on page 35 which reads as follows:

The committee takes note of the large backlog of loan applications pending at the agency and has provided the additional authorization to meet a part of this backlog. It requests that the REA Administrator file with the committee, not later than next January 31, a full report on the exact situation in terms of firm loan applications on hand as of December 31, 1969, together with the best estimate of additional applications to be received during the balance of fiscal 1970.

That seems to suggest that as of that time, January 31 of next year, after the report has been filed by the administrator of the agency, the committee will give further consideration to this backlog in connection with the next supplemental appropriation.

Mr. HOLLAND. Mr. President, replying to the distinguished Senator's question, I wish to say that there is no commitment of the committee, of course, as to what it will do at that time; but the committee felt that we should have information available at that time as to the size of the backlog, so that we would be free, if it seemed wise, to consider it in connection with the supplemental bill or in any other way that we felt it should be considered.

I might say that the committee bill added \$20 million over the House amount, making a total \$340 million. In addition, there is a \$25 million carryover, making \$365 million available for the fiscal year 1970 electrification program.

Mr. BURDICK. I thank the Senator. Those of us who are concerned can expect that the committee will give serious consideration to this backlog at that time.

Mr. HOLLAND. That is correct.

Mr. BURDICK. I ask unanimous consent that the portion of the committee report (No. 91-277) under the subheading "Loan Authorization for Electrification Loans," on page 35 of the report, be printed in the RECORD at this point.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

Loan authorization for electrification loans
 1969 new budget (obligational)
 authority to date----- \$329, 000, 000
 1970 budget estimates—New
 (obligational) authority----- 320, 000, 000
 House bill—New (obligational)
 authority ----- 320, 000, 000
 Committee recommendation—
 new (obligational) author-
 ity ----- 340, 000, 000

The committee recommends a loan authorization of \$340 million for the electrification program in fiscal year 1970. The new authorization, plus an estimated carryover of \$25 million will provide a lending program of \$365 million, which is \$20 million over the current year level. The new authorization is thus \$20 million over the budget estimate and the House bill and \$11 million over the amount authorized a year ago.

The committee takes note of the large backlog of loan applications pending at the agency and has provided the additional authorization to meet a part of this backlog. It requests that the REA Administrator file with the committee, not later than next January 31, a full report on the exact situation in terms of firm loan applications on hand as of December 31, 1969, together with the best estimate of additional applications to be received during the balance of fiscal 1970. This report should also indicate clearly the sufficiency of loan authorization to meet the orderly requirements of the electrification program for the entire fiscal year.

The committee concurs in the statement in the House report that in view of the urgent need for "heavying-up" distribution facilities, that first consideration shall be given to the critical needs of distribution-type loans, and that generation and transmission loans be held to a minimum in the coming fiscal year.

Mr. HARRIS. Mr. President, on page 35 of the committee report, under loan authorization for electrification loans the committee requests that the REA Administrator "file with the committee not later than next January 31 a full report on the exact situation in terms of farm loan applications on and as of December 31, 1969, together with the best estimate of additional applications to be received during the balance of fiscal year 1970." I am glad the Senator from Florida (Mr. HOLLAND), indicated that the committee will give consideration to a supplemental appropriation if loan demands as stated in the report of the REA Administrator filed with the committee on January 31 warrant it. Rural Electric Cooperatives both distribution and G. & T. have done an outstanding job of providing central station electric power to rural America. Demands for electricity in rural America continue to grow and both distribution and G. & T. cooperatives are faced with the need to heavy-up and expand their systems in order to fulfill the provisions of the REA Act for complete area coverage and to meet the growing demands of their consumers.

Mr. HOLLAND. Mr. President, I next yield such time as he may require—which I understand will be approximately 7 minutes—to the distinguished senior Senator from North Dakota (Mr. YOUNG).

Mr. YOUNG of North Dakota. Mr. President, I want to express my strong opposition to the current proposal to place a \$20,000 limitation on payments to any producer under our farm pro-

grams for crops planted during fiscal year 1970.

To the average person, particularly those not familiar with the operation of our present farm programs, a \$20,000 payment limitation might seem reasonable. A close study of the problems of agriculture and of the need to maintain a sound agriculture should reveal that such a limit would be a crippling blow to the American agricultural economy.

The stated purposes of our Federal farm programs are to assist in maintaining and improving farm income, to assure abundant supplies of low cost, high-quality food and fiber, and to preserve and protect the soil resources of the Nation.

In seeking to improve farm income, Congress has enacted our present farm price support programs. Under them, producers voluntarily limit their plantings and, in return, receive income protection in the form of low-level price support loans and production payments in the case of feed grants and cotton and wheat certificate payments in the case of wheat.

All of the payments made to farmers, large and small, are either for some service they have performed or are in lieu of price support in another form. For years prior to the enactment of our current programs, we maintained a system of high price supports. With all of their shortcomings, these were successful in maintaining farm prices at reasonable levels.

Cash market prices for most commodities have fallen as price support loan levels under the new programs have been reduced. Wheat, for example, is now bringing the farmer an average of \$1.27 per bushel. This is practically the same as we sold wheat for back in the 1920's.

Even with voluntary production control programs, we are faced with the prospect of big surpluses. In the case of some commodities, we must rely heavily on the export market as an outlet for a large part of our production. Almost two out of every three bushels of wheat produced in this country, for example, must be exported.

Even with voluntary production control programs, we are faced with the prospect of big surpluses. Farmers have cut back their crop acreages and are still faced with further planting reductions. Next year wheat producers will be asked to reduce plantings by another 10 to 15 percent in order to be eligible for diversion and certificate payments.

This proposal would limit total payments to a producer under all of these programs. A sizable wheat producer, who may also be a participant in the feed grain or cotton program, faced with the prospect of a payments limitation, would be presented with an impossible choice. His alternative to program participation would be to stay out of the program altogether and try to greatly increase his production in order to meet his costs and provide a living for his family. The result of such action would be to add to the already burdensome surpluses and further depress farm prices.

It is necessary for all farmers to participate in these programs if they are to be successful in securing decent farm prices in the marketplace. Price depressing surpluses must be avoided if we are to maintain farm income, hold down Government costs, and prevent a collapse of the agricultural economy.

If the proposed limitation is approved, the present cotton program would cease to be in effect and, under the so-called "snap back" provision, would be replaced by a program requiring price support loans at levels between 65 and 90 percent of parity. The present loan level on cotton is about 45 percent of parity. Under this, most, if not all, of the savings claimed by the proponents of the limitation would be lost. Worse than this, however, would be critical damage that would be done to the cotton industry. This would inevitably place cotton at a price disadvantage and would mean further loss of markets to synthetics.

As I have indicated, our farm programs are also aimed at preserving our soil resources and providing abundant food at reasonable prices. The conservation of our soil is something of utmost concern, not only to farmers, but to all of us. In fact, it would seem that any effort to maintain soil fertility and productivity would be more important to nonfarm people. This is the surest way for us to assure the availability of adequate food supplies for years to come.

Throughout history, there are examples of great nations that have declined and fallen simply because they failed to conserve their soil and could no longer provide the most basic needs of their people.

Mr. President, one of the better discussions of the question of the payments limitation that has come to my attention is an editorial that appeared in the June 1, 1969, issue of the Fargo Forum, North Dakota's largest daily newspaper. This editorial was written by the paper's editor, Mr. John Paulson. I would like to read part of that editorial and I ask unanimous consent that it appear in its entirety at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. YOUNG of North Dakota. Mr. President, the editorial in part reads as follows:

What the politically minded congressmen who vote for such a curb don't seem to realize is that the farm payments are not a subsidy; they are a payment by the government for specific performance by the farmers. If Congress did not believe that the price support programs and the conservation programs were necessary to the sound economic health of the United States itself, they should not have been approved in the first place.

The purpose of the farm programs is to keep the total crop production under control, so that the market place will bring to the farmer a sufficient cash return to keep the farmer and his family on the farm, instead of forcing them off the farm into the big cities as potential relief clients.

If the farm programs were a relief program, then the top payment should be limited to \$3,000, the federal government's dividing line between the poor and the not-so-poor.

When the federal government attempts to limit production, it must limit the production on all land, not just on those lands owned by the average family farmer.

But if the \$20,000 ceiling were successfully imposed, next year the ceiling would be cut to \$15,000 and then to \$10,000 and probably even lower.

This would be one effective way of killing all farm programs, and offer no substitutes. As a result there would be a threat of a potential glut on the market of some of the crops now under the control programs, and the net result would be the elimination of more and more family farmers who simply could not stand the economic pressure.

The big farms would grab up more and more land, and the United States would find itself with a massive farm-tenant operation calling for massive land reforms.

I firmly feel that the time and place to deal with the question of payments limitation is when general farm legislation is considered by Congress. Our present farm programs expire at the end of the 1970 crop year. That means that we must write new legislation either late this session or early next year.

Secretary of Agriculture Clifford Hardin has been working on this and I understand that he will be making some proposals for establishing reasonable and workable limitations without crippling the programs themselves.

In 1968, only 46 North Dakota farmers received payments under these programs in excess of \$20,000. Only three of these received more than \$50,000. The largest payment in my State was only \$72,504. It would be the popular thing in my State for me to vote for this limitation. I would do so if I could disassociate myself from the feeling that it is not in the best interest of farmers and farm programs and all people in this country who are concerned over the need for abundant food at reasonable prices now and for years to come.

Mr. President, I shall support the deletion of the limitation of payments.

EXHIBIT 1

CURB ON FARM PROGRAMS POLITICALLY INSPIRED

Once again the U.S. House of Representatives has approved a politically-inspired proposal to put a ceiling of \$20,000 a year on the amount any one farmer may receive from the federal farm price support program, the Agricultural Conservation program, the Croplands Adjustment program and the old Soil Bank program.

We call the proposal politically-inspired because the attempt to curb the U.S. Department of Agriculture programs comes primarily from the big city congressmen who delight in singling out the very few farmers who have received payment of \$100,000 to over \$1 million from the USDA, and complain at the same time that the poor in the big city ghettos are being denied food for the hungry by the same Department of Agriculture.

What the politically minded congressmen who vote for such a curb don't seem to realize is that the farm payments are not a subsidy; they are a payment by the government for specific performance by the farmers. If Congress did not believe that the price support programs and the conservation programs were necessary to the sound economic health of the United States itself, they should not have been approved in the first place.

The purpose of the farm program is to keep the total crop production under control, so that the market place will bring to the farmer a sufficient cash return to keep the farmer and his family on the farm, instead of forcing them off the farm into the big cities as potential relief clients.

If the farm programs were a relief pro-

gram, then the top payment should be limited to \$3,000, the federal government's dividing line between the poor and the not-so-poor.

When the federal government attempts to limit production, it must limit the production on all land, not just on those lands owned by the average family farmer.

The same congressmen who tried to limit farmers' income will turn around and vote for minimum wage laws and other labor legislation which act to give the transportation agency, the processor and the retailers a greater and greater share of the consumer dollar.

Fortunately, the new secretary of Agriculture appointed by President Richard M. Nixon, Clifford M. Hardin, has already urged the Senate to kill the House-approved ceiling.

He said he was not judging the moral or the ethics of big payments to some larger farms, but was considering how government programs can be operated so that they hold down surplus production. Quite simply, he said that the government was getting value received for the payments made to farmers, and that the payments were not a subsidy in the true sense of the word.

Mr. Hardin said the administration believes that a sound program of payment limitations to some of the larger farm operations can be drafted later, but should not be tacked on to programs now being carried out. He said the entire subject should be considered when Congress takes up general farm program revisions which will take effect in 1971.

"As long as we are not talking about specific dollar limitations, we think a sound program can be devised that will certainly modify the payment structure that we now have, and modify it downward," he said.

The records show that relatively few farmers in Minnesota and the Dakotas get over the \$20,000 total in annual payments. The collections in the million dollar classification generally come from the Deep South, the land of the old plantations and the huge land owning families, and from Texas and California. But if the \$20,000 ceiling were successfully imposed, next year the ceiling would be cut to \$15,000 and then to \$10,000 and probably even lower.

This would be one effective way of killing all farm programs, and offer no substitutes. As a result there would be a threat of a potential glut on the market of some of the crops now under the control programs, and the net result would be the elimination of more and more family farmers who simply could not stand the economic pressure.

The big farms would grab up more and more land, and the United States would find itself with a massive farm-tenant operation calling for massive land reforms.

The Senate wiped out the \$20,000 limitation a year ago, and certainly it should do so again, particularly with the rewriting of the farm programs slated for the next crop year.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 5 minutes.

Mr. WILLIAMS of Delaware. Mr. President, the pending business is the amendment the House of Representatives included in H.R. 11612, an amendment which provided as follows:

No part of the funds appropriated by this Act shall be used to formulate or carry out any price support program (other than for sugar) under which payments aggregating more than \$20,000 under all such programs are made to any producer on any crop planted in the fiscal year 1970.

The Senate Appropriations Committee amendment proposes to strike that lan-

guage from the committee bill. Therefore, the parliamentary situation is that the committee amendment is now the pending business, and those who favor the retention of the \$20,000 ceiling will vote no, against the committee amendment. I am proposing that we defeat the committee amendment and thereby retain the House amendment which places a limitation of \$20,000 on these payments.

The argument has been made, as it is every time this matter comes up, that if we place a ceiling on these payments, it will cost more money to administer the program.

I disagree completely. That is a fallacious argument. There is no substance which would substantiate that argument.

However, rather than debate the point I have a second amendment which will be offered immediately following the vote on the pending amendment. The purpose of this second amendment is to repeal the so-called snap-back provision under which the Secretary said he would have to support cotton as one commodity at higher rates than under the regular act. Therefore the argument about the so-called snap-back provisions need not bother anybody on voting on the \$20,000 limitation because if we can defeat the committee amendment the next vote will be to eliminate the snap-back provision.

As far as the broad agricultural program is concerned I think it would be well to review the history of this law. It started at 90 percent support for certain agriculture commodities during World War II. It was initiated at that time as a wartime measure for encouraging and increasing wartime production on the farms so that we might have that production for our own use and for supporting and feeding our allies in Europe.

This high, rigid support of 90 percent was initiated during World War II with the understanding that it was to drop back within 1 year after the end of the war. However, now, 24 years later, these high support programs are still being continued on an even more expensive basis.

At some point, somewhere, I think we must face up to the problem and cut down on the cost of this agriculture program. There is no justification for continuing these large payments at this time. Both the Congress and every administration that has ever been in power, either Democratic or Republican, have always expressed a lot of sympathy for the small farmer. Yet these larger payments do not help the small farmer. Quite the contrary, they place the small farmer at a decided disadvantage from a subsidy standpoint, because the small farmer today has to have a certain minimum amount of equipment—a combine, tractors, and other types of large equipment—to carry on the work on the family-size farm and utilize his own labor and the equipment to capacity. If he has a one-family farm and puts a portion of his acreage under the soil bank or in one of the acreage diversion programs, it means that he cannot efficiently utilize either his labor or his equipment.

Therefore, it becomes a less efficient operation, whereas the larger corporate-type operation, with several thousand acres, can place a portion of its acreage in the reserve program, take the payments, put the machinery in the shed, lay off a number of its employees, and still have an efficient operation.

The programs would help the small farmers if we placed a reasonable limitation on the amount. If we impose a limitation of \$20,000 it would give an advantage to the small farmer. Then the large operator who is now getting in excess of \$20,000 would certainly be at some disadvantage as regards the small farmer.

Besides, limiting the payments to \$20,000 would cut the cost of the program by around \$300 million annually.

The argument is made that if we impose this limitation it would completely destroy the agricultural program and that we will not be able to feed ourselves. I hope that that is not a serious argument. Certainly we have not drifted so far from our belief in the free enterprise system as to think we cannot operate an agriculture program successfully without continued paternalistic control from Washington.

Have Members of Congress forgotten that many of our agricultural products today are not receiving and over the years have never received benefits of Government subsidies or Government support programs; yet they have succeeded just as well in the free market as have some of the products which have been the beneficiaries of large subsidies. Also, smaller farmers have fared in these uncontrolled programs.

Another argument that is made is, Why discontinue the subsidy for the agricultural program when there are so many other subsidies for private industry which should likewise be stopped?

That is no argument. If there are other subsidies that need correcting then let us do it.

It is true that there are many subsidy programs for various segments of industry, and they are long overdue for a change. I shall be the first to try to help to change them.

Nevertheless, when ever we have before us one of these other subsidy programs that is sought to be changed we get that same argument. The argument is always made, "Why not hit some of the other subsidies?" My answer is that the time to review any subsidy is when it is before the Senate. The subsidy for agriculture is before us today.

As to the fairness of the limitation, there are precedents for limiting the payments to small farmers. The ACP payments are limited to the small farmers, only with a \$3,000 or \$5,000 limit.

I placed in the RECORD on June 26 a list of those farmers who in 1968 received in excess of \$60,000 under the present law. It was a partial list, taken from the committee's report; but it is significant to note that five farming operations received payments in excess of \$1 million each. Thirteen recipients were drawing payments between \$500,000 and \$1 million. Certainly, those payments

cannot be justified as having been made to small farmers.

One of the payments under this program was to the Delta Pine Land Co., Scott, Miss., in the amount of \$605,796. That organization is a group of British stockholders who own farmland in this country. Yet they are classified as a farmer and receive a cash payment of over \$600,000 from American taxpayers. I see no justification for that payment, nor do I see why we should continue to support that type of corporate farm operation.

I cite another example of some of the so-called larger farming operations. The Texas Department of Corrections is classified as a "farmer" under this program and received two payments, one of \$294,301, the other of \$75,619.

The Arkansas State Penitentiary also is classified as a "farmer" under this program and received a cash payment of \$154,412.

The State of Washington, classified as a "farmer," draws \$146,764.

The Louisiana State Penitentiary is classified as a "farmer" under the program and collected \$114,363.

I have previously said that an interesting question arises in those cases. Suppose a penitentiary violated the law with respect to the quota system and were indicted and prosecuted. I wonder how the penitentiary would be punished. Certainly it could not be put in a penitentiary.

These examples merely point up the absurdity of the whole program.

Certainly the smallest step the Senate could take would be to reject the committee amendment and retain the language of the House bill, thereby placing a \$20,000 ceiling on these payments. Then the Senate should repeal the so-called snapback. Following this, Congress should get busy and write a good farm program, one which will be fair to the small farmer and far less costly to the taxpayers.

Some would now argue, why not defer this discussion until a bill from the Committee on Agriculture and Forestry is before us?

An agriculture appropriations bill is before us now. There will never be a better time.

Today we are in this very fortunate position in that the House of Representatives has already voted for a \$20,000 limitation. In order that it may become law the only step necessary to be taken now is to have the Senate reject the committee amendment and support the position of the House. Then we shall be well on the road toward saving the taxpayers nearly \$300 million.

The PRESIDING OFFICER (Mr. EAGLETON in the chair). The additional time of the Senator from Delaware has expired.

Mr. HOLLAND. Mr. President, I yield 5 minutes to the Senator from Nebraska.

Mr. HRUSKA. I thank the Senator from Florida.

Mr. President, the issue before the Senate is whether to delete the House-approved limitation by the amendment which is now before the Senate. I support

the Senate committee amendment to delete the House-approved amendment.

Mr. President, farm payments limitation is neither a new nor a novel question for most Senators. Last year, when the Senate debated a bill to extend the Food and Agriculture Act of 1965, one issue which received considerable attention was whether a limitation on payments to individual farmers was proper. Two amendments to the bill were offered, one limiting payments per farm to \$25,000, and the other limiting payments per farm to \$75,000. After useful debate, both amendments were defeated.

The amendment before the Senate today is similar to the amendments of last year, with similar arguments marshalled for and against. The only differences from the amendments of last year are the amount of the limitation and the fact that the amendment this year is proposed to an appropriations bill rather than a legislative bill.

A \$20,000-a-year ceiling on payments to individual farmers was imposed by the House recently as an amendment to the 1970 agriculture appropriations bill, H.R. 11612. The bill passed the House and was sent to the Senate. The Agriculture Appropriations Subcommittee and the full Appropriations Committee considered and, on a number of items, amended H.R. 11612, and reported the bill favorably to the Senate. That bill is before the Senate now. After careful consideration, the Appropriations Committee deleted the limitation of \$20,000 which had been added on the floor of the House. Whether or not to restore that House-approved limitation at this time by amendment on the Senate floor is the issue before us.

Mr. President, the present farm programs are not helping the small farmers of America; on the other hand, if this amendment were adopted under the existing programs, the small farmer would be even more adversely affected. The proper way to improve the present program is by enactment of a new comprehensive program. A limitation of payments only undermines the existing program without offering any effective substitute.

On the surface, it might appear reasonable to limit the payments that can be received by a single farm operator under the price-support programs. This view prevailed in the House of Representatives when it voted 224 to 142 to place the ceiling of \$20,000 a year on such payments. However, closer study reveals how unreasonable the proposal would be.

Our farms have great capacity for overproduction, and large producers will have to use that capacity if the ability to pay them to limit production is abolished. Then we will have to look to smaller farmers for the needed production adjustment. This will force the small farmers off the farms which become uneconomic to operate. Also, the increased production would force the low prices even lower, and make the impact even more severe on farmers having smaller holdings. The result would be injurious to agriculture, and disruptive to the economy of my home State of Nebraska, and to that of the Midwest generally.

Let us examine three arguments that have been made in favor of a farm payments limitation: that it will save the Government money; that it will remove an inequity of large producers receiving large sums of money while small producers receive pittance; that it will permit the farm program to concentrate on helping the small farmers.

First, the plain fact is that a simple limitation on payments as contained in the legislation passed by the House would not result in a savings to the Federal Government. The savings argument, which has been the peg on which the proponents of the limitation amendment have hung their case, simply does not stand up.

A payments limitation would trigger a snap-back provision for cotton, for example, making the cotton program subject to a loan-and-redemption or buy-and-sell-back arrangement that would actually increase the cost to the Federal Government, besides the increased cost of the limitation program.

Every cotton cooperator would be entitled to receive either a loan on or to have purchased all of the cotton produced within his farm acreage allotment. When the Agriculture Appropriations Subcommittee held a hearing on June 4, 1969, on the proposed payments limitation, Secretary Hardin testified on this point. He stated:

We feel that we would be required to carry it out in a manner which will make available to all cooperators price support at not less than 65 percent of parity through loan or purchase on all cotton produced on their 1970 acreage allotments.

Besides increasing the cost of the cotton program, the limitation would cause increased administrative expenses for all of the farm programs, because with the elimination of the large producers many more farms would be involved in the programs in order to control production.

A good example of the increased administrative costs would be the predicted impact of the limitation on the feed grain program. Participation in the program would drop, primarily because the economic incentive to participate in the program is considerably weaker than the incentive to participate in the cotton and wheat programs. A ceiling of \$20,000 would reduce feed grain diversion by about 1.5 million acres and reduce Government payments by about \$50 million. However in order to encourage the remaining participants in the program to absorb those 1.5 million acres to maintain a stable program, it would require an increase in payment rate costing the Government about \$50 million. So, no gain would accrue to the Government by limiting payments. In fact, if some of the wheat producers who have their payments limited switch over to feed grains, it might cost the Government an additional \$10 to \$15 million to maintain the proper production level for feed grains.

It is also possible that the large farmers might, rather than dropping out of the programs, just change their mode of operation or ownership and still receive the same amount of payment as they do today, but at a greatly increased administrative cost to the Government. A considerable proportion of the farms

subject to the limitation would undoubtedly be split up or leased out in such a fashion as to escape the limitation. Legally, these changes would not be difficult to accomplish, and it would be extremely difficult for the Department of Agriculture to prevent them.

The Department has estimated that as much as 75 to 85 percent of the potential cotton acreage affected by the \$20,000 limit would be able to maintain its eligibility for full payment in this way.

The increased cost to the Government of the proposed payment limitation, considering all of the effects, has been estimated at about \$160 million. I underline this point. Without other changes in the agricultural legislation, a payment limitation will increase the cost of our farm programs.

The second argument is that a payment limitation will remove the inequity of large producers receiving large sums of money while small producers receive pittance. This argument is based on the erroneous notion that farm payments are entirely subsidies or income supplements. This is not true, particularly for feed grains and wheat.

Where a feed grain farmer gives up the right to grow feed grains or any other crop for sale or use on 20 percent of his feed grain base under the farm program, in all fairness he has a right to be reimbursed for his contribution of this property right, regardless of his income status. Remember, the farm programs are based on the premise of voluntary participation to achieve an end of public policy; to be voluntary, the program must offer the proper incentive to the farmer who has committed his livelihood to his land.

Since America recognizes private property, the Government must pay for any public acquisition of property or any utilization thereof. If the Government were to limit the use of the land of a few owners without payment, this would be tantamount to confiscation of a property right of the owners. If we leave those owners the option of receiving only a partial value for diverting the productive use of their land, this would clearly drive most larger owners out of the program.

The amount of payment that smaller farmers receive is proportionate to the amount of land that they divert. This is the same standard applied against the larger farmers. The difference in payment is due only to the difference in land diverted.

Mr. President, the third argument in favor of a limitation is that a payment ceiling of \$20,000 would return the advantage of the farm programs to the small farmers. This argument is fallacious. It would instead place an increased burden on the small farmers. The Government would be compelled to induce the small farmers to participate even more extensively in the programs in order to keep the production level stable. If the farmers did not, farm prices for crops would fall due to overproduction. If they did, it would become even harder for them to operate efficiently because their machinery and labor would be less economical for smaller production levels. They are damned if they do, and damned if they do not.

The adverse economic impact on the small farmers if they must carry the entire burden of production control is clear.

Mr. President, although the three arguments in favor of a payments limitation are made in good faith and with the best interests of the public well-being high in mind. They are misleading and erroneous. The costs to the Federal Government will be higher, not lower. The inequity alleged is imaginary, not real. The small farmers will be affected adversely, not favorably.

For Nebraskans, a payment limitation would have two detrimental effects. Because the biggest impact of the payments limitation would be on the large cotton producers in the South who would be restricted in their compensation for leaving land idle, it is quite likely that they would turn to other crops in direct competition with the primary crops of the Midwest.

This threat is real. A Department of Agriculture study stated:

If payments were reduced or eliminated, a chain reaction most likely would occur as farmers began seeking alternative crops which give promise of enhancing their income position.

Besides this direct crop competition, if the farmers of the South turned to feed grains and grass for cattle raising this could seriously challenge the livestock industry of the Midwest. Cheap and available feed for cattle would not only induce increased cattle raising in the South as new competition but might also cause the disastrous overproduction of meat animals. This would undermine the hard price gains only recently achieved by the industry through restraint and orderly marketing.

My last point goes not to sound Government economy, nor to stable agriculture production, but rather to sound legislative procedure. I do not believe the agriculture appropriations bill is the proper place for an amendment such as the payments limitation, especially as an amendment from the floor of the Senate. Legislative changes are needed, not simple expedients as substitutes for sound legislation.

The wise and judicious course for the Congress to follow is to wait until the Department of Agriculture submits new farm legislation. The Department is expected to submit it early in the fall of this year. Secretary Hardin said during the Agriculture Appropriations Subcommittee hearings that the Department is ready to work with the legislative committee on basic changes in farm legislation. The committees should do so, and I recommend to Senators that rather than destroying the existing programs by adopting the payment limitation amendment, that we wait until this question of payment limitation can be considered in the context of new programs.

Last year the Senate voted to extend the 1965 act for 1 year until December 1970, in order to give the new administration an opportunity to devise sound and thoughtful legislation to replace the existing programs. Doing so, the Senate and ultimately the Congress rejected a payments limitation to permit present programs to operate until the new pro-

grams were proposed. The situation has not changed, and now that the new programs are imminent, it would be foolish to undo all that was so wisely done last year.

Mr. President, I urge that the vote on the amendment be in the affirmative, and that the amendment submitted by the committee be agreed to.

Mr. HOLLAND. Mr. President, I yield to the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana (Mr. ELLENDER).

Mr. ELLENDER. Mr. President, I have served on the Committee on Agriculture and Forestry since I first came to Washington almost 33 years ago. At that time the Committee on Agriculture and Forestry was a very popular committee. Everyone desired to be a member, as is the case now with the Committee on Appropriations. However, in the last two sessions of Congress in order to get a sufficient number to serve on the committee, we have had to reduce the membership of the committee from 17 to 15 members, and then from 15 to 13, which is now the number of Senators serving on the committee.

Mr. President, to me the Committee on Agriculture and Forestry deals with the most important segment of our economy. Agriculture and related industries employ more people and spend more money than any other segment of our economy. Under the programs we have had in effect the amount of money that is spent for food from the average income of citizens is 17 percent. When I first came to Washington 26 percent of the income of families was required to buy food.

No segment of our economic society has made more progress than farming. The farmer does not ask for anything. If he were in the same category as other segments of our society the farmer would need no protection. In other words, if minimum wages and various tariffs that are now on the statute books and which protect various segments of our industry were removed, the farmer would need no protection. He could protect himself.

When we started this program back in 1937 it was based on acreage controls. A farmer was guaranteed price supports at a certain percentage of parity and required to reduce acres and, thereby, reduce production in keeping with our requirements. That program worked very well for quite awhile, or until after World War II. It also worked well during the Korean war. But increases in yields per acre, or increased efficiency if you wish, did much to undo acreage controls.

Mr. President, in 1961 the time came when excesses in production, notwithstanding acreage controls for some crops, were simply too much. Our surpluses were great and the cost of storage was tremendous.

The Committee on Agriculture and Forestry worked on another program beginning in 1969. The objective of that program was to reduce the enormous surpluses that had come about because of the previous program wherein we had had acreage controls. For instance, in

the case of wheat we had 1.4 billion bushels of wheat, which was a carryover, over and above what we needed. In the case of feed grains we had 84.7 million tons over and above what we needed. In cotton we had 7.1 million bales.

As this new program developed, the purpose was to reduce acres further and enable farmers to plant in keeping with our requirements, both domestic and foreign. We set upon a new method of attaining that goal. The goal was to divert acres. In other words, instead of producing and storing, the department, as well as the committee, felt that it was better not to produce and plant only the acres necessary in order to meet our needs. That is the way this program has been operated since its inception in 1961 and its renewal on a 4-year basis in 1965.

Mr. President, the effect of the present law has been to reduce surpluses. For instance, in the case of cotton we had a carryover of 16.6 million bales. We now have an estimated 6.6 million bales in carryover, which is the proper amount. In the case of feed grain, the surplus has been reduced almost in half. We have now an estimated carryover of 44 million tons. In the case of wheat the estimated carryover is a little larger because of an error that I say the Secretary of Agriculture made in 1967 in increasing the acreage because he felt that there might be a shortage of wheat. But in any event the wheat acreage was increased by about 30 percent.

Mr. President, I ask unanimous consent to place in the RECORD at this point the tables on Carryover and Acres Harvested.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

CARRYOVER AT BEGINNING OF MARKETING YEAR

Crop year	Wheat (million bushels)	Feed grains (million tons)	Cotton (million bales)
1961-----	1,411	84.7	7.1
1962-----	1,321	71.8	7.7
1963-----	1,195	63.9	11.0
1964-----	901	69.2	12.1
1965-----	817	54.9	14.0
1966-----	535	42.1	16.6
1967-----	425	37.1	12.3
1968-----	539	48.3	6.3
1969-----	1,794	144.0	6.6

¹ Estimated.

ACRES HARVESTED
(In million acres)

Crop year	Wheat	Feed grains	Cotton
1961-----	51.6	105.3	15.6
1962-----	43.7	101.9	15.5
1963-----	45.5	105.1	14.1
1964-----	49.8	97.1	14.0
1965-----	49.6	96.0	13.5
1966-----	49.9	97.8	9.5
1967-----	58.8	100.8	7.9
1968-----	55.3	96.6	10.1

Mr. ELLENDER. Therefore, our surplus for 1969 is greater than it should be but still about only one-half of what it was in 1961. If Congress desires to wreck the farm program, then vote with the Senator from Delaware. On many occasions, when the bills were up, he has pro-

posed these amendments to limit payments and the Senate, as well as the House, has voted against such limitations. Why? Because the bill gives the Secretary of Agriculture much flexibility in providing the number of acres necessary in order to produce the amount of wheat, corn, and other feed grains, as well as cotton and other commodities, that we can consume domestically and that we can export. In order to attain that goal under the law acres are diverted from production and farmers are paid not to plant. It has been determined that it is cheaper to pay the farmers not to plant than to let them plant and store the commodities.

Mr. TALMADGE. Will the distinguished chairman of the committee yield at that point?

Mr. ELLENDER. I yield.

Mr. TALMADGE. Is it not true that if this limitation on payments is agreed to, price supports would remain the same?

Mr. ELLENDER. Yes.

Mr. TALMADGE. And the Government cost would be greater and not less?

Mr. ELLENDER. Well, let me say to my good friend that under the theory of the bill, it is the number of acres—

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. HOLLAND. Mr. President, I yield 2 additional minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 more minutes.

Mr. ELLENDER. Under the bill, it is the number of acres diverted that counts. Whether those acres come from a small farmer or a large farmer makes no difference because the purpose of the bill is to reduce production in keeping with our requirements. If this limitation is slapped on the farmer, it will mean that the large farmer will not participate.

Mr. TALMADGE. Will the Senator yield further?

Mr. ELLENDER. I have only 2 minutes, but I yield.

Mr. TALMADGE. Is it not true, in the cotton program alone, that this amendment, if not agreed to, will cost the Government \$160 million more a year?

Mr. ELLENDER. That is the estimate of the Department of Agriculture. The Senator is correct about that.

Mr. President, as I said, we will be wrecking the program if we put limitations on now. I plead with the Senate to wait until we meet next year in order to work on a new agriculture program. There will then be time to put on such limitations, if Congress agrees to them. But the law permitting payments is now on the statute books and the program has worked well in reducing our surpluses. I am, therefore, hopeful that Congress will sustain the Committee on Appropriations.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 minute.

Mr. WILLIAMS of Delaware. And then I shall yield to the Senator from Illinois (Mr. PERCY).

Mr. President, the claim that if the Senate adopts this amendment it will cost the Government \$160 million additional above existing programs, as the result of the so-called snapback provision, is not an argument at all. If that were true we would be seeing the Senators from the cotton-producing areas enthusiastically embracing it. The fact that they are solidly opposed to this \$20,000 limitation disputes that argument.

Besides the cotton farmer is not the only farmer getting these large payments. What about the large payments to the producers of wheat, corn, and feed grains? Furthermore, all we need to do to refute that argument is to repeal the snapback provision.

The next amendment that would be called up immediately after this vote would be the one repealing the snapback provision. So do not let that worry anyone. We can roll back the cost of this farm subsidy program by several hundred million dollars a year solely by rejecting the committee amendment.

Now, Mr. President, I yield 3 minutes to the Senator from Illinois (Mr. PERCY), and then I yield 5 minutes to the Senator from Vermont (Mr. AIKEN).

The PRESIDING OFFICER. The Senator from Illinois is recognized for 3 minutes.

Mr. PERCY. Mr. President, it is with considerable temerity that I speak on an agriculture matter when the distinguished Senator from Florida (Mr. HOLLAND) of my native State, and a man whose judgment I admire so much, takes a strong position, as well as when the distinguished Senator from Louisiana (Mr. ELLENDER) takes an opposite position to the one I take.

As a man raised in urban areas, I find it hard to try to understand the agricultural problems of this country. All I know is that they are deep-seated problems and we must face them. Many feel that we must wait until next year to find a real solution to them. I have come to the conclusion that we had better start this year to find at least a partial solution and then set a trend in a different direction. I take this position because of several impressions.

When I married my wife, she had a farm in her family in Livingston County, Ill. It has been in her family for about 125 years. I said to her at the time, "I do not really know enough about farming. Don't you think that you should sell it and go out of production? Wouldn't it be better to sell it?"

She replied, "Well, I am still left with the impression my father gave me that as long as you are a farmer, the Government will guarantee you an income, and I think we had better keep it, because I know of no other income which is guaranteed that way."

Well, Mr. President, that may be true. I do not know. I know that I did go down and talk to the manager of that farm, years ago, after a new agriculture bill had been proposed by the administration, and I asked him what he thought of the control program.

He said, "I will tell you, Chuck. There is not a dirt farmer in the State, with a stub pencil and writing on the back of a brown envelope, that can't figure out in

15 minutes how to beat that control program."

I have been left with the impression that people are producing now who should not be producing and should have gone into other occupations because we have, somehow, induced them to stay on the farms instead of migrating off.

I think we have induced large scale capital enterprises to come in to produce a great many operations, and we would now simply continue Government intervention. I am impressed with the fact that we do not seem to have a great deal of difficulty with hundreds of crops not under limitation and control.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. WILLIAMS of Delaware. I yield 2 additional minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 2 additional minutes.

Mr. PERCY. It is the sick crops that are under controls. The six basic supported crops, so-called, are sick agricultural areas.

It is for that reason I rise to support the position taken by the distinguished Senator from Delaware (Mr. WILLIAMS), to place an annual limitation of \$20,000 on total payments that any farmer may receive from Government programs. I therefore support the position taken by the House and the fight which has been led by my distinguished colleague from the agricultural area in central Illinois, Representative PAUL FINDLEY. I believe he really represents the strong feelings of the overwhelming majority of Illinois farmers—and we are the largest agricultural exporting State in the Union—who now want to get away from control programs, and have more decisions made on the farm, and fewer decisions made in Washington.

I also serve with the distinguished Senator from Louisiana (Mr. ELLENDER) on the Select Committee on Nutrition and Human Needs. We are finding increasing evidence of hunger in this country and yet we are grappling with a shortage of funds to provide food for hungry Americans. It makes no sense to pay large Government subsidies to farmers not to produce food, when we have this situation. We are failing to meet the needs of the hungry, yet year after year we continue to pay these excessively large farm payments.

I recognize that with inflation rampant and unchecked in this country at the present time, we need to achieve budget savings in order to run a substantial budget surplus in fiscal 1970 to help slow down inflation.

On June 4, before the Senate Appropriations Subcommittee, Secretary Hardin estimated that the \$20,000 payment limitation can save \$335 million for cotton, feed grains, and wheat. To limit payments would stop this unnecessary drain on the U.S. Treasury.

I am aware of the "snapback" provision of the present cotton program which provides that if as a result of payment limitations the Department of Agriculture is unable to provide to farmers the full amount of price support to which they would otherwise be entitled, then the Department is obligated to provide

price support at not less than 65 percent of parity. Some estimate that this provision would increase the cost of direct payments programs by \$160 million, not decrease them. However, there is an easy answer to this objection. I also intend to vote for Senator WILLIAMS' amendment to repeal the snapback provision, thus effecting full savings of over \$300 million.

Another reason to pass the payments limitations before us is that these large payments put small farmers at a disadvantage. Small farmers cannot afford to idle acreage in order to take advantage of these payments programs. What these programs really do is to subsidize large farmers and perpetuate the trend toward driving small farmers off the land, leaving agriculture in the hands of ever larger producers.

I concur completely with the Senator from Delaware when he indicates that the "snapback" provision is not a barrier.

For all the above reasons, I urge opposition to the pending committee amendment, thereby giving us the opportunity to limit farm payments to \$20,000 annually, and I intend to support the position of the distinguished Senator from Delaware.

The PRESIDING OFFICER. The Senator from Vermont (Mr. AIKEN) is recognized.

Mr. AIKEN. Mr. President, I never heard my father talking the way the distinguished father-in-law of the Senator from Illinois talked.

Mr. PASTORE. Mr. President, will the Senator speak a little louder? We cannot hear him.

Mr. AIKEN. My father never received a Government payment of any kind. Since I have been in the Senate, I have never accepted payments of any kind for agricultural crop reduction or for any other purpose. My father used to tell me that so long as we had enough farmers that our country and our Government would be safe. I think it is most unfortunate that agriculture should become the whipping boy of today. There are reasons for this. One reason is that the vote of the farmer has been reduced from a very large percentage down to 5 or 6 percent, as the number of people who live on the farm today. The other reason is that farmers, particularly family farmers, are notoriously poor campaign contributors, and that is an important item in many places these days. But agriculture is still the most important industry in the United States.

Not too long ago I checked on the percentage of people in this country who are dependent on agriculture, and found it was a little over 30 percent of all the people who were engaged in gainful employment. Many of them were producing supplies and equipment. Farmers are said to be the largest consumers of petroleum products of any industry in the United States. Then we have those who are living on the farms themselves—as I say, only 5 or 6 percent of the population. After that, we have twice as many in the processing and handling, domestic distribution and sales, and the exporting of farm products.

Another matter which concerns me is the fact that approximately half of the

money in our agricultural appropriation bills that are charged to farmers is devoted to the welfare of people who do not live on the farm. Of the school lunch program, 5 or 6 percent of it goes to farm children. Then there are the special milk programs and the extension service. Most of the funds spent for extension service now are spent for nonfarm people, and the percentage is increasing every day. In the foreign aid program, the program under Public Law 480, roughly \$1 billion a year that is charged to agriculture is spent to help our country help other countries get along.

We have got to look out for our own agriculture, or we will be a decadent Nation. There are those who today would like to see agriculture in the United States deteriorate. Among them are importers of subsidized agricultural commodities from other countries. Only last summer the Common Market countries undertook to dump into the United States subsidized dairy products at 25 percent less than the cost of producing them here in the United States.

Some of our chainstores are reported to join in the effort to reduce American agricultural production since it is to their advantage to place more foreign agricultural commodities on their shelves.

Then, perhaps most important of all, certain industrial manufacturers want to sell their products abroad and accept their pay in foreign-produced agricultural commodities.

So it is very formidable opposition that the American farmer faces today.

I would vote to abolish all subsidies in the United States if someone will make the motion to do so. That would certainly include the enormous subsidies given the petroleum interests, the public utilities, the power people, the transportation companies, and the mail advertisers, who had their rate reduced from 18 to 2.75 cents a pound so long as the advertising was slipped as special supplements inside a local newspaper.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. AIKEN. May I have 1 additional minute?

Mr. HOLLAND. I yield 1 minute to the Senator from Vermont.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. AIKEN. I do not have time to yield.

I will say this, however: I have never been completely happy over the farm programs we have had over the last 30 years. I have done the best I could to help make them work, but I have felt they could be improved. I realize that our present program is subject to abuses and it could be improved. But the way to improve the present program is to revise the farm legislation to the extent necessary during this session or the next session of this Congress, rather than to undertake to revise it to any extent in an appropriation bill.

I want to point out just one item. Last year—and this report came to me this morning—the payments on cotton for 1968 were \$1,479,000,000 plus. For fiscal year 1969, they are \$1,302,000,000 plus. There were repayments of approximately

\$275 million on loans each year, leaving over \$1 billion in subsidies. That subsidy was given to the cotton farmers so they could sell their cotton abroad and to industrial producers at home for 8 cents a pound less than what was supposed to be the fair cost of production. Certainly that situation needs to be corrected.

That is all I have to say.

Mr. HOLLAND. Mr. President, I yield 5 minutes to the distinguished Senator from California (Mr. CRANSTON).

Mr. CRANSTON. Mr. President, I thank the distinguished Senator from Florida.

In many respects our national agricultural policy is indefensible. The huge price-support payments to a few large growers are but one example of what is wrong with our farm program.

A far more serious failure is our inability to devise a way to encourage farmers to produce more. When poor people in our Nation and the world are ravaged by hunger and destitution, it is contemptible to pay farmers not to grow food and fiber. Yet, in both the price-support program, which subsidizes underplanting, and in the cropland adjustment program—the soil bank—we pay farmers not to produce.

I believe the food needs of the Nation should determine how much our farmers grow, and I pledge my efforts to achieve a rational farm policy.

But no amount of dissatisfaction with our present policies can justify the ill-conceived and imprudent \$20,000 limit on price supports. It has long been an axiom of rational men that the cure should not kill the patient.

The simple facts are that the precipitate limitation of price supports would wreak chaos on California's farm economy, as I pointed out to this body 3 weeks ago.

Two weeks ago, the author of the \$20,000 limitation amendment in the House responded to my statement by inserting in the RECORD an article on cotton by Grover C. Chappell, a staff economist in the Department of Agriculture, which appeared to invalidate my warnings. Three days later, on June 27, Dr. Chappell very kindly wrote to me, saying that his article "was written in the summer of 1968 and the prices used were those prevailing in the market in the spring of 1968."

Dr. Chappell continued:

As you know, cotton prices in California particularly have declined sharply since that time.

In his article, Dr. Chappell used the cotton price of 31 cents a pound, which was just under the average 1967 California cotton lint price. In 1968, according to Department of Agriculture figures, California cotton fell to 23½ cents a pound, a staggering drop of better than 25 percent under the previous year. Thus while it is fair to say that 2 years ago the agricultural economy of California might have survived an abrupt termination of price supports, it is not true today.

For example, in Fresno County, one of California's two largest cotton producing counties, it costs slightly more than \$300 to produce an acre of cotton while at 1968 prices the grower received about

\$265 per acre. Under present policies, only the price support program keeps our current farm economy from foundering.

In Kern County, the other of our cotton giants, I have received figures showing that high-cost cotton producers are losing better than \$100 per acre even with price supports.

This troubled cotton situation has led growers to cast about for other, more profitable crops. Thus, in Kern County, a new crop, carrots, is being expanded where cotton previously grew. But it should be noted that with Kern County, carrots, as with all changes in farming, it takes several years to prove out the crop in the soil, to test growing conditions, and to try out farming techniques of a new area. Agriculture cannot change overnight, and any proposal which fails to take into account this need for gradualism can cause hardship for entire areas.

I think it is clear that this overly hasty limitation proposal would adversely affect tens of thousands of Californians, not only farmers, but all of the people whose jobs depend on a profitable agricultural economy.

One other aspect of the farm problem, which should temper the zeal for immediate support limitation, is the effect our Government's policy of raising interest rates to fight inflation has on the farmer. Almost every other segment of our economy can respond to higher interest rates either by borrowing less or by passing on the higher interest rates in the form of higher prices for their product. The farmer can do neither.

Higher interest rates simply eat into the farmer's profit. There is no way out for him. He must borrow money to produce his crop and he has no control over the price the crop will bring. Since high interest rates are a premeditated governmental policy, we should be discussing ways to help the farmers and other unfortunate victims of this policy, rather than consorting to bury the farmer even deeper in a profitless morass.

In this age of violence and revolt, when slipshod mentalities would blindly destroy our institutions both good and bad without any critical evaluation of the alternatives, in such a time this Senate must set a standard for deliberate and constructive change. The \$20,000 limitation proposal satisfies neither criterion.

It is precipitous and destructive.

I urge that it be defeated.

Mr. HOLLAND. Mr. President, I now yield 5 minutes to the junior Senator from Missouri (Mr. EAGLETON).

The PRESIDING OFFICER. The Senator from Missouri is recognized, but the Senator from Florida does not have that much time remaining. The Senator from Florida has 3 minutes remaining.

Mr. HOLLAND. Mr. President, the distinguished Senator from Delaware (Mr. WILLIAMS) assured me that he would yield me some of his time if I needed it. I yield the Senator from Missouri 3 minutes now, and I will talk with the Senator from Delaware about securing additional time if it becomes necessary.

Mr. EAGLETON. Mr. President, we have before us a series of amendments dealing with payment limitations on

farm programs. I particularly wish to address myself to the two amendments (No. 53 and No. 54) as offered by the Senator from Delaware (Mr. WILLIAMS) and the amendment (No. 60) as offered by the Senator from New York (Mr. GOODELL).

First of all, I want to make it clear that I believe the present farm program is not free of serious inequities and inefficiencies and I am not insensitive to the grim facts of rural poverty and hunger in America.

However, these amendments will not feed hungry people. They will not improve the condition of the small farmer who today does business on a profit margin no urban businessman could endure. They will not encourage the more economical production of food and fibre for the American consumer, nor improve the competitive position of American farmers in the world market.

I think we can all agree that our farm program needs a major overhaul. According to Secretary Hardin, only 35 percent of payments under the cotton program can be ascribed to resource adjustment, while 65 percent are, in truth, income supplements. His figures for the wheat program are 51 percent and 49 percent, respectively. At a time when there are many others in our society whose need and claim for income supplements are greater than that of our largest farmers, the Secretary's estimates suggest the need to carefully sort out the economic and social aspects of our programs and review our priorities on the basis of the findings.

Moreover, it appears that our pattern of acreage allotments may be so out of date that it has created serious diseconomies in agriculture without corresponding social benefits.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. HOLLAND. I yield the Senator 2 additional minutes.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 2 additional minutes.

Mr. EAGLETON. If the Congress were to adopt a payment limitation as proposed by the Senator from Delaware in amendment No. 53 and were unable to muster the sufficient two-thirds vote to repeal the so-called snapback provision as contained in amendment No. 54, then it would actually cost the Government more money than we are currently spending on the programs in question, as both secretaries Hardin and Freeman have convincingly argued.

The amendment as proposed by the Senator from New York, originally recommended by former Under Secretary of Agriculture John A. Schnittker, is certainly worthy of some indepth analysis.

I emphasize the words "indepth analysis."

I do not think that a series of amendments to an appropriations bill constitutes such "indepth analysis."

These are matters which cannot be adequately handled on a piecemeal basis on the floor of the Senate. They must be dealt with by the Department of Agriculture, the Agriculture Committees of the respective Houses of Congress, and the farmers themselves, before the farm

program comes up for renewal next year. Therefore, if we vote down these amendments—as I believe we must—let us also make it clear that we expect to be able to vote on a carefully considered, more equitable and more efficient farm program by this time next year.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLAND. Mr. President, I yield 2 minutes to the distinguished Senator from Kentucky (Mr. Cook).

Mr. COOK. Mr. President, for a number of years there has been considerable sentiment in this country to impose payment limitations of varying amounts on producers of cotton, feed grain, and wheat.

Statistics from the Department of Agriculture indicate that individual and corporate farms are receiving many thousands of dollars to limit their production.

I am concerned about these facts. However, a close examination reveals that the proposed limitations would have a far-reaching effect on our entire farm program.

Secretary Hardin has stated that under present law a payment limitation of \$20,000 on the cotton program would automatically implement the "snapback" provision requiring price support at a level of 65 to 90 percent parity. This could also result in additional cotton production causing increased costs for storage facilities and transportation. For the cotton program alone, there would be an increase of \$167 million in 1970. It is also estimated that this amount, together with additional expenditures required by the payment limitation on wheat and feed grain programs, might be approximately \$200 million in 1970. It is apparent that, contrary to popular opinion, it would cost the Federal Government more in price supports and warehousing of cotton, feed grains, and wheat than it now does to pay farmers not to grow these items. Obviously, there is no rational argument for the enactment of a payment limitation without repeal of the snapback provision.

Therefore, since the repeal of the snapback provision is absolutely essential for a sound fiscal approach to payment limitations—responsible thinking dictates that snapback should be acted upon first.

Of course, Senate rules prohibit legislating in an appropriations bill. I would, therefore, support any appropriate motion for suspending the rules in order to consider repeal of the snapback provision first.

Mr. President, it is for this reason that I oppose a \$20,000 payment limitation unless the snapback provision is first acted upon and repealed.

Mr. HOLLAND. Mr. President, on July 1, 1969, during the debate on this bill, I stated for the record why I oppose the House limitation. I refer to pages S7432-7439 of the RECORD for July 1, 1969. At this time, I obviously cannot repeat all of those arguments. I merely wish to say that the present Secretary of Agriculture, Mr. Hardin, and the former Secretary of Agriculture, Mr. Freeman, both oppose the limitation. We had a special hearing at which the Secretary of

Agriculture appeared before the committee, in which he made it very clear, first, that the snapback provision was mandatory, and that it would require \$160 million additional to support cotton at 31 cents rather than at 21 cents under the present law. In addition, he stated it would immediately begin to build back the surpluses which we have been getting rid of over these recent years.

He also made it so very clear that, in addition to the havoc it would constitute for the whole cotton program, it would also wreak havoc with other programs not in the price support classifications or not within the crops we are considering now. For instance, if wheat payments are \$20,000, were limited here, it would mean that there would either have to be more acres of wheat or that those acres of wheat would have to be diverted to feedgrains or other crops. Many agricultural industries will be affected when they take hundreds of thousands of acres out of the production of wheat and require people to put them into some other kind of money-producing crop production.

The same thing applies with feed grains. If we cut out the feed grain proposals for the very considerable number of people who receive more than \$20,000 under the present program, they would have to divert acreage to other crops. That means trouble for vegetables, soybeans, cattle, and other industries which I could mention here.

Mr. President, I ask at this point to insert in the RECORD a memorandum prepared for me by the Chief Counsel of the Senate Committee on Agriculture and Forestry.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM FOR SENATOR HOLLAND

The so-called snap-back cotton provision (section 103(d)(12) of the Agricultural Act of 1949, 7 U.S.C. 1444(d)(12) is as follows:

"(12) Notwithstanding any other provision of this Act, if, as a result of limitations hereafter enacted with respect to price support under this subsection, the Secretary is unable to make available to all cooperators the full amount of price support to which they would otherwise be entitled under paragraphs (2) and (3) of this subsection for any crop of upland cotton (A) price support to cooperators shall be made available for such crop (if marketing quotas have not been disapproved) through loans or purchases at such level not less than 65 per centum nor more than 90 per centum of the parity price therefor as the Secretary determines appropriate; (B) in order to keep upland cotton to the maximum extent practicable in the normal channels of trade, such price support may be carried out through the simultaneous purchase of cotton at the support price therefor and resale at a lower price or through loans under which the cotton would be redeemable by payment of a price therefor lower than the amount of the loan thereon; and (C) such resale or redemption price shall be such as the Secretary determines will provide orderly marketing of cotton during the harvest season and will retain an adequate share of the world market for cotton produced in the United States."

A price support limitation which prevented the Secretary from making full price support available to any producer would trigger this provision, requiring that the program be changed with respect to all cooperators, large and small. Price support for all coop-

erators would have to be made as provided in clause (A) through loans and purchases at 65 to 90 percent of parity.

Clause (B) authorizes the Secretary to provide for simultaneous sales and repurchases at lower prices, or loans and redemptions for lesser amounts, which would have the same effect as payments. While Secretary Hardin, in his testimony before your subcommittee, points out that it may be argued that the difference between such sale and repurchase prices is a payment subject to any limitation on payments; it can certainly be argued that it is not a payment for such purpose, since the snap-back provision was intended by Congress to provide a price support method which would not be subject to a payment limitation. In any event, Secretary Hardin stated that he would feel required to carry out the provision in a manner which would make available to all cooperators not less than 65 percent of parity through loan or purchase on all cotton produced on their 1970 acreage allotments.

Since effectuation of the provision would result in a change from the existing program to a completely new one, there would be a number of problems, and a number of alternatives available to the Secretary. No one knows exactly what type of program might result.

One question we have discussed informally with the Department concerns the small farm and diversion payments provided by section 103 (d) (4) of the Act. While a literal interpretation of section 103 (d) (12) would leave section 103 (d) (4) in effect, the Department advised that it would probably look to the Comptroller General for an opinion to resolve the question.

It would appear that the program would be more expensive since the price support level would remain at the same level, but in order to obtain the full amount of support available to him, the producer would have to produce as much cotton as he could. At present the producer may limit his production to 65 percent of his allotment and receive his full share of price support payments, since at present price support payments are made on the projected yield of the farm domestic allotment. Under the snap-back provision price support would be limited to cotton actually produced.

Section 407 of the Agricultural Act of 1949 provides a limitation on Commodity Credit Corporation sales as follows:

"Notwithstanding any other provision of this section, for the period August 1, 1966, through July 31, 1971, (1) the Commodity Credit Corporation shall sell upland cotton for unrestricted use at the same prices as it sells cotton for export, in no event, however, at less than 110 per centum of the loan rate, and (2) the Commodity Credit Corporation shall sell or make available for unrestricted use at current market prices in each marketing year a quantity of upland cotton equal to the amount by which the production of upland cotton is less than the estimated requirements for domestic use and for export for such marketing year."

If the Secretary were to decide, as suggested by his testimony before your subcommittee, that he could not use the method of price support provided for by section 103(d)(12)(B), then the minimum price at which Commodity Credit Corporation could sell cotton for domestic use might be 110 percent of 65 percent of parity. If this were the case, producers might exceed the cooperator percentages fixed for them under section 408(b) of the Act in order to benefit from the enhanced market price, even though they could not qualify for price support as cooperators. There may also be some question as to whether the cooperator percentage provision of section 408(b) would be applicable if the snap-back provision became effective. While literally it would appear to be effective, Secretary Hardin's use of a 16.2 million acre national allotment in cost esti-

mates given to your subcommittee suggests that he may regard this provision as superseded by effectuation of the snap-back provision. In addition to violating any cooperator percentage which might be fixed under section 408(b) if such section remains effective, some producers might find it advantageous, as they have under past program which provided higher domestic market prices, to exceed their acreage allotments.

The time you have allowed for this memorandum does not permit the careful and exhaustive analysis this section requires. In his testimony before your subcommittee, Secretary Hardin indicates that a number of questions have been raised that could not be answered by the Department, and that he was requesting an opinion from the Comptroller General.

Respectfully submitted,

HARKER T. STANTON,
Counsel, Senate Committee on Agriculture and Forestry.

Mr. HOLLAND. Mr. President, I have had printed in the RECORD of July 1, 1969, starting on page S7437, the written statements of the American Farm Bureau Federation, the National Grange, and the National Milk Producers' Association and other farm organizations opposing the limitation on payments and giving excellent reasons why they did so. I also made it clear that as to the National Farmers Union, while they oppose this limitation, support a graduated limitation starting at \$37,500.

I now ask unanimous consent that there be printed in the RECORD a statement by the National Farmers Organization which strongly opposes the House amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NATIONAL FARMERS ORGANIZATION,
Corning, Iowa, July 5, 1969.

HON. SPESSARD L. HOLLAND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HOLLAND: The question of limitation on payments to farmers which is agitating and troubling many Senators is also of deep concern to most of the farm organizations. It is of serious concern to the Nation Farmer's Organization.

The action by the House in attaching a limitation of payments to the appropriations bill did not solve that problem. The Agricultural Act of 1965 provides that, if a limitation is applied to cotton payments, the cotton program would then revert to the previous program, which incidentally had proved too costly to maintain. So this does not put any real limitation on payments to cotton producers, which constitute over 85% of all the payments in excess of \$20,000.

However, it does apply to the wheat and feed grain programs, approved by both houses and Congress, which rely upon voluntary compliance for their effectiveness. This again was a substitution for an unworkable support program. The participation in these programs and their acceptability is now at their highest level.

With hearings scheduled next month on a Farm Bill in the House, it seems to us that it is procedurally preferable to legislate on this problem by using the regular procedures, remembering that the committee reports are always subject to amendments.

We submit that the problem of payments to the corporate and private farms constitute a complicated social-economic problem which does not lend itself to such simple answers as a limitation of payments. It rather involves the whole national policy toward ownership and use of the land. Let's begin to

attack, the total problem, not just the obvious manifestation.

It should also be noted that one of the most persuasive arguments for the payment limitations has been the past unwillingness of the Agriculture Committees to authorize and the Appropriations Committees to appropriate funds for the Food Stamps and other food programs.

I shared this conviction and led the efforts of farm organizations to increase these funds to the level demanded by both our rural and urban friends. This was not a real popular position in the past. However, I am pleased to note that both the House and Senate Appropriations Committees substantially increased the amount for Food Stamps over the amount requested by the budget.

We also noted with approval that the Senate approved and sent to the other body a bill authorizing \$750 million for this purpose. Your own distinguished leadership in this effort is appreciated by the NFO and should be appreciated by those who have been critical of the low level of funding for the food programs.

We also note the approval that the legislation to extend the Agricultural Act of 1965 which Chairman Poage has introduced in the House includes an open end authorization for Food Stamps. We shall support this legislation. We think that these actions should be considered as a positive indication that the Congress is giving very sympathetic consideration to this problem and that the level and volume of their complaints should be reduced, and the rebellion against farm programs should be diminished in return.

We would also like to remind those who oppose farm payments that most of these payments are for compliance with programs approved by the Congress in both 1965 and 1968.

It should also be remembered by those who would limit farm payments that the wheat certificates payments were first substituted in 1964 for the higher support levels which had previously prevailed. These support prices were both expensive to the taxpayers and doubly expensive in that a very substantial export subsidy was required for the wheat which was exported for cash. The same thing was true in cotton.

As a result of this legislation, our wheat exports for cash steadily increased to the highest level in history, earning over \$1 billion in 1966, with only a minor expenditure for export subsidies.

In 1965, the Congress recognized the long standing injustice of holding price for wheat at approximately \$2.10 when parity was about \$2.50. They increased the certificates for wheat to enable it to bring a parity price, but only for that part of the crop which was consumed for food domestically, about 45% of the total crop.

The rest was sold for the support level of 50% of parity. This was the wheat which constituted both our international relief contributions and soft currency sales, as well as our commercial exports, expand our foreign trade and dollar earnings and to validate our foreign policy commitments and to prevent mass starvation in several countries.

In other words American wheat producers subsidized the total wheat exports by about \$1.25 per bushel. No other segment of our economy has been asked to provide to our government over one-half of its production at less than the cost to the producer.

When the value of the certificates were increased to represent a parity price for the domestically consumed wheat, most of the farm organizations supported the bill to require that this additional amount should also come from the market instead of from the general fund.

The other body decided against us in the face of our warnings that this would be

resented by the tax payers. The only farm organization to support the final bill is now the only one seeking a limitation of payments.

When the Congress decides, as it frequently does, that minimum wages should be increased to provide a more equitable return for labor, they do not take this increase from the general funds, but from the consumers. Thus they have added very substantially to the burdens of agriculture.

In the defense industries, which are no more vital to our national security than is our food supply, they guarantee a return of cost plus a reasonable profit. No one mentions putting a limitation on these profits, although they amount to billions.

The same is true about subsidies to airlines, junk mail, and the whole field of subsidies.

We would submit a proposition to those who advocate a limitation on payments to farmers: "We will accept a limitation on government payments if you will apply the same limitation to all individuals and corporations." Let's limit the profit from federal contracts to \$20,000 too, apply that rule to General Motors, Lockheed Aircraft, E. I. DuPont, Mohawk Airlines, et al.

We hope the Senate will permit us to work out this problem in the regular legislative processes. If the proposed legislation does not meet with your approval, it can always be modified on the floor. In the meantime the action of the Congress in 1965 will remain, as it should, a commitment of honor upon which farmers have made their own commitments in good faith.

Again let me express to you the gratitude of the NFO for your intelligent and fair-minded leadership on this and other issues.

Respectfully yours,

HARRY L. GRAHAM,
Legislative Representative.

Mr. HOLLAND. Mr. President, in closing, I want to make it very clear that I did not support the 1965 farm program or its extension last year. I stated both times that it was an expensive program and would cost too much money.

In spite of the fact that subsequent developments have sustained much of the opinion of the Senator from Florida at that time, it is also very clear that the Senator from Florida, in order to take the position that is taken by the House amendment, would have to be a wrecker of the only program we have.

The Senator from Florida may be many things, but he is not a wrecker. That is exactly what we would do if we were to agree to the House amendment.

We would wreck not only the outstanding programs, the programs seeking to cut down the surplus, but we would also wreck the programs which seek to divert acreage at Government expense in such a way that acreage would be diverted at the expense of other producing industries. We would wreck the only program we have on the books at this time.

Mr. President, the Senator from Florida himself is not a wrecker, and he does not believe that many other Senators want to be wreckers.

I am sorry that some of them do not see the situation clearly. However, when Secretary Hardin testified, as he did, the Senator from Florida suggested that he get an opinion from the General Accounting Office. The Secretary did that, and that opinion is in the RECORD. It shows clearly that the General Accounting Office, after some 2 or 3 weeks' study by the counsel, said that the Secretary

of Agriculture was exactly right and that the cotton program under the snapback provision would go back to the old high-price support which meant that not only the production of cotton would cost the Government \$160 million more than the present program, but it would immediately start rebuilding the terrible surplus of cotton which had been built up in past years and were slowly cut down.

The Senator from Florida could not vote for the House amendment, as much as he wishes for a better program.

I would prefer to work it out this fall or next spring, I have attempted to follow this course in years past. I am sorry that some of those so devoted now to the limitation did not devote their intelligence to the working out of a better program heretofore. However, they will have that chance this fall or next spring.

Mr. President, I agreed with the Senator from Delaware that we would both ask for an extension of 5 minutes so that both the Senator from Delaware and the Senator from Illinois might be heard.

I make that unanimous-consent request at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FONG. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. FONG. Mr. President, I strongly support the committee amendment which would delete the language of the Conte amendment approved by the House in passing H.R. 11612, the Agriculture Appropriations Act for fiscal year 1970.

The Conte amendment would establish a \$20,000 ceiling on payments under any price support program, other than for sugar, to producers on any crop planted in the fiscal year 1970.

As the language is written, the ceiling is designed to apply to feed grains, wheat, and cotton. Sugar is specifically excluded, and wool payments are not covered because wool is not a "crop planted."

In the case of cotton, however, testimony by Secretary of Agriculture Clifford M. Hardin before the Senate Appropriations Subcommittee on Agriculture, on which I have the honor to serve, indicated that the proposed limitation on payments would trigger the so-called snapback provision for cotton. Secretary Hardin estimated the increased cost to the taxpayers for the cotton program, should the \$20,000 limitation go into effect, at about \$160 million.

The snapback provision—section 103 (d) (12)—of the Agricultural Act of 1949, as amended, which was enacted as part of the Food and Agriculture Act of 1965, provides as follows: If, as a result of payment limitations, the Department of Agriculture is unable to make available to all cotton cooperators through payments the full amount of price support to which they would otherwise be entitled, then the Department is obligated to provide price support at not less than 65 percent of parity through loans or purchases, and the payment limitation would not be applicable.

The Secretary of Agriculture testified that his Department believes the snapback provision is mandatory and not discretionary with the Secretary. The Comptroller General of the United

States, in a letter dated June 19, agreed. He said that the "clear purpose" of the snapback provision was to "assure cotton producers that they would not be deprived of a total return from their cotton crops of at least 65 percent of parity if limitations on price support payments were later enacted." He said the legislative history of this provision "makes this purpose clear beyond doubt."

I am convinced that the snapback provision would come into play if the Conte limitation is approved, and thereby increase the cost of cotton program by some \$160 million.

In other words, instead of saving the taxpayers money, the \$20,000 limitation would cost more than the present price support program for cotton.

In addition, Secretary Hardin testified that other effects of the \$20,000 limitation "would bring about very little savings, if any, and might result in a net increase in cost."

He said:

First, a considerable proportion of the farms subject to the limitation would undoubtedly be split up or leased out in such a fashion as to escape the limitation.

Secretary Hardin said some of this could be prevented but not all by any means. He said many such changes are constantly occurring and are entirely legal.

He estimated:

Perhaps as much as 70 to 85 per cent of the potential cotton acreage affected by the \$20,000 limit would be able to maintain its eligibility for full payment.

Second, Secretary Hardin testified:

If a given acreage is to be retired from crops and if payments are the means of doing this, and if a payment limit is in effect, we would have to divert more acreage out of the smaller farms, which would be the only likely cooperators.

In the case of feed grains, which have resource adjustment as the dominant feature, Secretary Hardin said:

It would cost considerably more to run the program with payment limitations than without.

I believe the people of America would be astonished to know that the \$20,000 limitation offered in the name of economy would in reality cost the taxpayers even more than the present program.

The extra burden imposed on taxpayers by the House-approved limitation would be sufficient reason, in my judgment, for rejecting it.

There are other reasons, however, for voting against this ill-advised proposal.

Although the House provision qualifies technically as a limitation on an appropriation, its effects would be much broader. The impact would be significantly to alter the intent of Congress so laboriously fashioned in the legislative process of enacting the Agricultural Act of 1968.

During Senate consideration of the farm bill last year, a \$25,000 limitation proposal was offered as an amendment. It was rejected by the Senate on a 47-to-25 rollcall. Another amendment, with a \$75,000 limitation, was rejected by 40 yeas to 30 nays.

The House \$20,000 limitation this year is an attempt to accomplish in an appropriation bill what failed of accom-

plishment in connection with the farm authorization bill last year.

Such a provision should not be considered in connection with this appropriation bill. It has substantive ramifications and should properly be considered in connection with farm legislation which has received the thorough consideration of the Senate and House Committees on Agriculture.

Secretary Hardin has assured the Senate Agriculture Appropriations Subcommittee, as he has assured Members of the House of Representatives, that he "believes it is possible to design a sound farm program that limits the number of dollars that can be paid to any one farmer for programs following the 1970 crop year."

He has stated that the administration plans to submit new farm legislation proposals, including alternative payments plans, to the Congress later this year.

These can be given thorough consideration by the appropriate legislative committees in preparation for consideration by Congress of a new farm law. The present law expires next year and a new law should be enacted by next spring in order to be effective for crops planted in 1971.

This is the sensible and orderly procedure.

Our Nation's farm programs are too complex to tinker with by means of a payments ceiling such as proposed in the House provision.

That is a second important reason for rejecting the House limitation.

Let me cite additional reasons against the \$20,000 ceiling.

It would keep controls on large farmers but would deny them payments of over \$20,000 for complying with these controls.

It discriminates against large farmers and legal entities. While individual farmers could collect up to \$20,000, it would prevent farmers in partnerships or other joint organizations from collecting more than \$20,000.

It discriminates against stockholders of companies who operate large farm enterprises. While an individual farmer could receive as much as \$20,000, the individual stockholder could not. A farm enterprise owned by 100 stockholders, for example, could not be eligible for more than \$20,000. Stockholders would get the short end of the stick.

It would very likely invite subterfuge. A large individual farmer who is now entitled to more than \$20,000 might decide to break up his farm. His wife could own one part of it, he could own another, and if he had any adult children, they could own other segments. In this way, each could perhaps qualify for the maximum of \$20,000. The intent of the House-passed Conte amendment could thereby be evaded.

Similarly, large company-owned farms might be able to subdivide the ownership in order to qualify for separate agricultural payments, thereby circumventing the intent of the House provision. Those large companies unable to subdivide their ownership would be discriminated against and possibly could be forced out of business.

Such a limit, which fails to provide any

substitute program for the protection of farm industries affected by the amendment would seriously disrupt several of America's basic farm programs which help provide a cornucopia of foodstuffs and fibers at moderate prices.

As the House limitation is written, sugar producers are exempt from the \$20,000 ceiling. But all my colleagues should understand that if approved, the House provision would be followed by amendment to place a similar \$20,000 limitation on compliance payments to sugar producers. Proponents of the limitation have made this clear in the past.

Such a limitation would be grossly unfair to sugar farmers in America. It would deny them an important part of their farm income by cutting back on their compliance payments under the Sugar Act. Yet it would not allow them to recoup this loss through price adjustments in the market place or through repeal of the Federal excise tax of 50 cents per hundredweight on all sugar refined in the United States.

The fact is, the proposed \$20,000 limitation if extended to sugar would leave standing the Federal excise tax. It would also leave standing the provision in the Sugar Act which effectively provides a ceiling on the price of sugar a domestic sugar farmer can obtain for his crop.

The Sugar Act controls sugar prices. It controls sugar production. It establishes sources of sugar supply. It includes tax and payback provisions—compliance payments—which are not subsidies, but are part of Federal regulations of the sugar industry.

Payments are made to domestic sugar producers who comply with production restrictions, pay "fair" wages to workers, agree not to employ child labor, and if they are processors pay "fair" prices for sugar cane.

These payments are made out of the U.S. Treasury out of funds obtained from the Treasury's collection of the excise tax on all sugar, foreign and domestic, processed in the United States.

Over the life of the Sugar Act, the Federal Government has profited to the tune of \$549 million on the sugar program. In other words, the Federal Government has collected more than half a billion dollars more in sugar excise taxes than it has paid out in compliance payments to domestic sugar producers.

Under the Sugar Act, smaller producers of sugar receive more per ton in compliance payments than large producers. Growers who produce 350 tons of sugar or less are entitled to the maximum authorized compliance payment of \$16 a ton—or 80 cents per hundredweight. Large growers receive less per ton, with largest producers paid \$6 a ton.

Last year, compliance payments to Hawaii producers totaled \$10,840,000 whereas the excise tax paid on Hawaii sugar totaled \$12,319,060. So even under the present Sugar Act, excise taxes on Hawaii sugar exceeded compliance payments to Hawaii sugar producers.

If a \$20,000 limitation on payments were imposed, the excise tax on Hawaii sugar would still be collected—approximately \$12 million—and Hawaii sugar

producers could collect in compliance payments only about \$1,639,000.

The consequence of such a limitation in my State of Hawaii, which produces one-sixth of all the sugar produced in America, would be destruction of the sugar industry in Hawaii. It would destroy the jobs of some 11,300 year-round sugar workers in my State. Hawaii's sugar workers are the highest paid agricultural workers in the world, earning \$30 a day with fringe benefits. The sugar payroll in Hawaii annually runs about \$71,700,000 including fringe benefits.

Where would so many workers find substitute jobs? Where would Hawaii sugar producers find a new source of income? There are no alternative agricultural uses for most of the acreage now devoted to sugarcane in Hawaii. Only a tiny fraction of the land could be converted to produce income.

Last year, the payment made to Hawaii's largest sugar producers was \$7 a ton; whereas the payment to Hawaii's smallest producer was \$16 per ton.

Total compliance payments last year to Hawaiian sugar companies ranged from a low of \$53,542 to a high of \$1,311,267, with the majority of companies, who are large sugar producers, receiving over \$200,000.

These large payments are necessitated by the special nature of sugarcane production. Unlike many other agricultural commodities, sugarcane needs vast acreages in order to attain high efficiency. Hawaii sugar producers must plant enormous acreage before they can produce a high output of cane and achieve the efficiency of labor that will make Hawaii's sugar competitive in the marketplace.

There are about 240,000 acres devoted to cane, and at least one-half of this acreage must be irrigated. Because of Hawaii's mountainous terrain, expansion of acreage is limited and costly. Sugar producers have spent large sums of their own money—none Federal—to develop and operate wells, reservoirs, ditches, and tunnels of the elaborate irrigation systems now in use. Hawaii's sugar industry also spends more than \$2½ million annually on sugar research—an activity financed by the producers since 1895. We have had a sugar research program for more than 70 years. As a result of the Hawaii sugar industry's own efforts, Hawaii has one of the highest sugar yields per acre of any area of the world.

Efficiency per acre is a "must" for Hawaii's sugar producers, considering the cost of modern equipment, the cost of its skilled labor, and the great distance of Hawaii from mainland markets. Hawaii's closest market for sugar is San Francisco, some 2,400 miles away. Most of the Hawaiian sugar is refined at Crockett, near San Francisco, and is marketed in 26 Western and Midwestern States, including Alaska.

These are some of the compelling reasons for development and operation of large farming units in Hawaii. There are 24 large sugar plantations which produce some 93 percent of Hawaii's sugar. The other 7 percent is produced by 750 small independent growers. As I have already stated, the small producers re-

ceive higher compliance payments per ton than the large producers; that is, \$16 per ton as compared to \$7 for large producers. Since compliance payments are based on total farm production and most Hawaiian sugar is produced on the large plantation company farms, many of the total payments are large.

In every year since the inception of the Sugar Act 35 years ago, the excise tax paid on sugar produced in Hawaii has substantially exceeded the compliance payments to our sugar companies.

Over the period of the last 10 years, a majority of the sugar producers in Hawaii would have operated at a net loss if there were no compliance payments. In fact, many of our companies were in the red even with these payments. Any lowering of the ceiling on compliance payments would sound the death knell for Hawaii's sugar industry.

It would be an economic disaster for my State, which is the largest sugar producing State.

The \$20,000 limitation, if extended to sugar, which it will be if the House provision on cotton, feed grains, and wheat is approved, would plunge the economy of Hawaii into a tailspin from which it would be very difficult to recover.

It would destroy the jobs of more than 11,300 sugar workers and the investment of 12,500 individual stockholders in Hawaii's \$200,000,000 sugar industry. More than two-thirds of the stockholders live in Hawaii.

While I have spoken in some detail about the adverse effect of a \$20,000 ceiling on payments to sugar producers in Hawaii, there is no question the limitation would also place the sugar industry in other domestic areas in serious jeopardy.

I remind my colleagues that the sugar program has been in operation for 35 years. Congress has reexamined and extended the basic legislation some 12 times during these 35 years. Yet the program has remained substantially unchanged. This is proof of how well it has worked.

From the standpoint of the American consumer, the sugar program has worked exceptionally well. American consumers today pay less for their sugar than consumers in practically all of the developed nations of the world and less than is paid in some of the undeveloped countries of Africa and Asia. The retail price of sugar has gone up less in recent years in America than the price of most other staples on the grocery shelf. And, remember, the sugar program is self-financing, even returning a profit of \$549 million to the U.S. Treasury.

In conclusion, I shall summarize my strong opposition to the House provision to impose a \$20,000 limitation on payments to cotton, feed grains, and wheat producers.

First, it will cost \$160 million more for the cotton program than existing law and may well cost more for the other programs. It may well hurt small farmers far more than large producers.

Second, it would use the agriculture appropriations bill to effect substantive changes in farm programs, which if changed at all should be done in the agri-

culture authorizing legislation. The Department of Agriculture is currently at work on new farm authorization proposals and expects to submit them to Congress this fall for consideration in time to complete congressional action by next spring at the latest.

Third, it would keep controls on large farmers but would deny them payments of more than \$20,000 for complying with these controls.

Fourth, it discriminates against large farmers and legal entities.

Fifth, it discriminates against stockholders of companies who operate large farm enterprises.

Sixth, it would very likely invite subterfuge.

Seventh, it would seriously disrupt some of America's major farm programs, which help provide a cornucopia of foodstuffs and fibers at moderate prices. It fails to provide any substitute program for the protection of American farmers affected by the amendment.

Eighth, if adopted, the House limitation of \$20,000 would lead to a similar limitation on payments to sugar producers. This would cause the death of the sugar industry in Hawaii and would seriously disrupt the sugar industry elsewhere in America.

I strongly urge support of the committee amendment striking the House provisions setting a \$20,000 ceiling on payments to farm producers of cotton, feed grains, and wheat.

Mr. DIRKSEN. Mr. President, I was around here 35 years ago when we enacted the Agricultural Adjustment Act. Henry Wallace was the Secretary of Agriculture and Marvin Jones, now the chief justice of the Court of Claims, was the chairman of the House Committee on Agriculture.

The logic of what we tried to do was to cut the surplus and raise prices. Those were the days of the campaign that caused 15 million little pigs to go into the rendering basket.

Today it is not exactly the same. It is land retirement. The subsidy policies have been rather costly, and they have not been very satisfactory. However, the program had one virtue. It was uniformly applied.

In this world we do not get something for nothing. We may put on a ceiling of \$20,000, but we will get \$20,000 worth of acreage taken out of cultivation.

What about the remainder? We either take it out or it goes back into cultivation. In that event up goes the surplus, down goes the price, and up go the subsidies.

We cannot beat it. We cannot beat it with this kind of gimmick. That is why I am opposed to it. The Farm Bureau is opposed to it. And I think that those who understand the program are opposed to it.

What would be the justification? I think I know. Of course, this is politically distasteful. It does not sound good that a farmer gets \$100,000 or \$200,000 or \$400,000 for not growing things. However, it is forgotten that he surrendered that much acreage. This is no one-way street.

If the Senate wants to dump this program, all right; but let us dump the

whole business and be through with it. This is a good way to dump it. If this acreage is taken out in any other way, it will go into some other kind of program. There will be competition and surpluses, and then we will be back to the old grind.

I think this proposal is a colossal blunder. That is one reason why, together with 20 other Senators, I introduced the Farm Bureau bill last week, the idea being to get rid of these acreages, to get rid of quotas, to get rid of this and that, and finally to give the Department of Agriculture a chance to take 10 million acres out of cultivation every year, even if it is necessary to do it on a bid basis and do it for entire farms. To me, that is a better approach.

Then if we phase out all the ideas that we pursue at the present time, it can be done over a 5-year period, and we can finally get around to a market economy. But this way is not the proper approach.

I earnestly hope that the Senate will not approve either this ceiling or any other ceiling that may be offered in the course of the debate on the bill.

Mr. WILLIAMS of Delaware. Mr. President, on the amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. YARBOROUGH. Mr. President, on June 4, 1969, I testified before the Senate Appropriations Subcommittee on the Agriculture and Related Agencies, of which I am a member, against the placing of a limit of \$20,000 on the amount of money a farmer can receive under our agricultural programs. After a comprehensive hearing, this subcommittee recommended that this hastily conceived provision be dropped from H.R. 11612. The full committee concurred with this recommendation.

Our agricultural programs were designed to meet the problems created in our farm community by a depression, a world war, a booming economy, spiraling inflation, increasing technology, and many other factors. They are extremely complex. Any effort to limit payments or to change any segment of these programs should be well thought out and carefully planned to be sure that the family farmer is receiving an adequate and just income. An across-the-board limitation, such as the one dropped from H.R. 11612, effected without sufficient groundwork and exhaustive study, would indiscriminately have eliminated many family farmers and destroyed the voluntary crop limitation programs.

In reply to a questionnaire sent out by the University of Texas as a part of an extensive study that their cotton economic research unit was conducting on the effects of a \$20,000 payment limitation, some cotton farmers stated that they could not stay in business if such a limitation, or any limitation, should go into effect. They would not be able to pay the high prices for equipment, parts, and labor. Without subsidy payments and loan programs, they would lose their bank credit and would be out of business.

Because of the snapback provision under section 402 of the Agricultural Act of 1965, a limitation such as the one under H.R. 11612 and dropped by the

Senate Committee on Appropriations would not accomplish the purpose for which it was intended. This kind of a limitation would place the cotton program into a loan-and-redemption or a buy-and-sell situation which would only increase the Government's cost of administering the program.

The present wheat supply management program requires farmers to divert a specified number of acres from wheat production each year to balance supply with demand. If the program does not attract sufficient acres into the diverted pool, the management of supply fails; and the program will not work. If one farmer is required to divert 10 times as many acres as another, he should be compensated accordingly. If he is not proportionately compensated, he will not participate. If he does not participate and a specified number of acres must still be diverted, then they must necessarily come by additional reductions in allotments to the smaller farmers remaining in compliance. This would unnecessarily penalize the smaller farmer as well as defeat the intent of the program. I should also point out that the farmer diverting 10 times as many acres also has 10 times the investment in his diverted acres, pays 10 times as much taxes on these acres, and has surrendered 10 times as much productive capacity.

Mr. President, it is possible to design a sound farm program that limits the number of dollars paid to any one farmer. However, legislative changes are needed. A simple amendment to the appropriations bill will not suffice.

The present agricultural programs are scheduled to expire after the 1970 crop. I sincerely hope that this distinguished body will set aside any effort to limit payments until such time as our agricultural programs have been carefully and fully studied as a whole. Any revision should be carefully worked out in the Agriculture Committee and based on sound judgment and valid data to be certain that it will effectively accomplish the purpose for which it is intended. To rashly slap it on an appropriations bill without hearings by the legislative committee charged with initial responsibility for studying this complicated policy, would be unwise at this time. This is particularly so when the basic law will expire in 1 year and is now under study both by the Department of Agriculture and the legislative committees of Congress.

Mr. METCALF. Mr. President, over the past decade, the United States has witnessed revolutionary changes in rural America which transformed agriculture from an industry of 4 million units to 3 million units, with a greater and greater number of these owned by large corporations or wealthy individuals. What this means in terms of human lives is even more profound. In the mere 7 years from 1960 to 1967, farm population decreased 31 percent—from 15.6 million to 10.8 million. At the same time, Federal loan programs originally intended to assist and promote the family farm have been slighted because of tight budgetary demands brought on, principally, by our

military commitments in almost every corner of the world.

Policymakers have judged, I fear, that what they would define as an "efficient" agriculture serves our national welfare better and calls less upon Federal resources than the small family owned unit. They have thus encouraged the migration of millions of rural people into urban centers. I believe we are discovering that this mass migration into megalopolis is far more expensive in social costs—and if we were able to measure accurately, in actual dollar costs—than programs which should have preserved the family farm; encouraged individually owned, small-town businesses, and resulted in the preservation and growth of rural communities. We are not doing this, but we have not lost the opportunity.

We need to turn the tide of rural migration, without slighting urban needs. In fact, I believe we must take immediate and effective measures to eliminate urban slums, educate people for meaningful employment which will produce living wages, and create hope for them and their children. Urban and rural problems are a part of the same problem and vigorous attention to revitalizing the rural economy will lift some of the pressure upon our urban complexes.

It is to this purpose that I believe we must take greater advantage of existing farm programs. For example, although the rural electrification program is only one of the many Federal programs that need to be beefed up in order to improve rural areas, it is a vital and strategically placed program. The locally elected directors of the nearly 1,000 rural electric systems in the country and the managers they hire, are well acquainted with the needs of their local rural communities. These rural systems have the means of accelerating rural growth. They are providing essential electric service in most rural areas and through dependable low-cost electric service can encourage new developments. The rural electric loan program has demonstrated the wisdom of Federal loans to locally-organized, locally controlled groups.

I wish to stress the loan aspect of the REA program. The rural electric systems have a nearly unparalleled record of repayment of their Federal loans. Their record is ample proof that the people of the United States are making a wise investment in rural areas with this program, ample proof that local people can direct their own programs for community development. It is the acceleration of this kind of program—a catching up—that I wish to encourage. I believe, incidentally, that urban leaders should design and seek similar programs to solve some of the problems of the central city—for example, to provide decent housing for millions of low-income families.

So I support the \$365 million REA loan fund appropriation before us as recommended by the Appropriations Committee Subcommittee on Agriculture and Related Agencies. In addition, I believe that the survey requested of REA Administrator David Hamil by the subcommittee will show that the Nation's rural electric systems have a very large

backlog of unmet loan-fund needs—in the order of \$400 million—which have accumulated over the past several years of budgetary drought. When the Administrator's report is in, I will support a meaningful and substantial supplemental appropriation for the rural electrification program which will begin to help rural areas catch up with the economic development which has been allowed to slip by. A strong, growing rural electrification program is essential to rural development. The Congress will do well to start to direct its attention to crucial domestic needs by catching up with this and other programs which make Federal moneys available to local people striving to build their communities.

In conclusion, I believe we face critical domestic problems because we have been preoccupied by foreign commitments which have bloated one segment of our economy to the deep injury of other segments. Our military spending must be put to the test of sound policy and prudent administration. Our economic life has been dominated by massive military procurement over the past decade, and we will have to pay dearly for the inflation this kind of prolonged, unproductive expenditure has created.

Congress must, I believe, distinguish between vital defense needs and those unjustified program developed by a military-industrial segment of the economy ever ready to expand its domination of our society. I believe we must begin to fashion new plowshares of social progress for America. We can save our cities from chaos. We can revitalize our rural areas. And we can begin this effort with proven programs like REA to nurture peace in the world through greater achievements of our agriculture.

Mr. FULBRIGHT. Mr. President, during debate upon the pending appropriation bill, amendments may be offered to establish arbitrary limitations on payments authorized by law to those who participate in various agricultural programs. I intend to oppose these amendments and I hope that they may be defeated.

I will not take the time of the Senate to discuss the considerations which justify provisions of law authorizing various types of payments to cooperating farmers. It is sufficient to say at this time that these payments come about because of public policy developed over a long period of time to stabilize agricultural production and the agricultural sector of our national economy.

The principal purpose of these payments is to induce farmers—large and small—to refrain from using their lands to produce agricultural commodities which would otherwise be grown and marketed. Without this inducement no one knows what products would be grown by which farmers and in what amounts. One possible result would be chaos throughout the agricultural sector of our economy as farmers might shift from one commodity to another or as

they might glut the marketplace with an overproduction of one or more of many commodities. The National Grange has estimated that imposition of limitations on payments under existing law might, in fact, cost the Federal Government an additional \$160 million in 1970 by activating other provisions of law with respect to the production of cotton.

Present farm policies have been adopted after thorough and careful consideration by the Agricultural Committees of the Senate and the House of Representatives, by the Department of Agriculture, and by the votes of both Houses of the Congress.

Amendments to an appropriation bill do not provide the proper forum for determination of basic agricultural policy. The amendments to which I refer are opposed by the Secretary of Agriculture and by the Senate Appropriations Committee which reported the pending bill to the Senate.

The proper forum for consideration of agricultural policy is the Senate Committee on Agricultural and Forestry. During the 91st Congress modifications of agricultural policy will be proposed by the President and by Members of the Senate. These proposals will be carefully considered by the Agriculture Committee and recommendations will be made to the Senate. Among other proposals, a bill was introduced last week by Senator DIRKSEN for himself and other Senators. No doubt other proposals will be made later during the present session of the Congress.

I urge the Senate to reject amendments to place arbitrary limitations upon payments under farm programs which were designed to benefit the Nation as a whole and were intended to affect all agricultural producers in the same way.

Mr. HOLLINGS. Mr. President, on June 4, 1969, the Honorable Clifford M. Hardin, Secretary of Agriculture, appeared before the Subcommittee on Appropriations of the Senate Agriculture Committee. At that time, he testified on the proposed payment limitations under the commodity programs, now under consideration.

In his testimony, Secretary Hardin offered a list of 10 specific questions concerning this program, such as how many farms and how many dollars and what share of the production would be affected by a \$20,000 limitation. Additionally, he discussed the issue of any possible savings and the aspects of the so-called snapback provisions.

I think Secretary Hardin's statement in opposition to limitations was clear, concise, and complete, and I would respectfully recommend that every Member of this body give it close study. Therefore, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE HONORABLE CLIFFORD M. HARDIN, SECRETARY OF AGRICULTURE

Mr. Chairman, Members of the Subcommittee, I am here in response to your in-

itation to clarify, if I can, a number of issues regarding the effect of placing limitations on the amount of money that can be paid to any one producer in connection with our commodity programs. Many such issues, some of them quite technical, were raised in the House debate on the agricultural appropriations bill. Presumably similar questions will be raised when the appropriations bill comes before the Senate.

The questions to which I address myself are these:

1. How many farmers and how many dollars and what share of the production would be affected by a \$20,000 payment limit.
2. Would a limitation on payments result in a saving to the government and if so, how much?
3. Approximately what share of the payment, crop by crop, consists of inducements to limit acreage and what share consists of income supplements?
4. Specifically, what is the snap-back provision for cotton?
5. What options are open to the Secretary under the snap-back provision?
6. What would be the added cost of running the cotton program under the snap-back provision?
7. Would it be possible to operate a successful cotton program if payment limitations were in effect and if the snap-back provision were repealed?
8. Would it be possible to finance payments in excess of \$20,000 from certain CCC funds which are not directly covered by the appropriations bill?
9. Would a payment limitation, written into the 1970 Appropriations Act, be specifically restricted to payments made during fiscal 1970?
10. Finally, what position does the Department of Agriculture take on the matter of payment limitations?

I now address myself to these questions. My answers will be as factual as I can make them.

1. How many farmers and how many dollars and what share of the production of various crops would be affected by a \$20,000 limit on payments?

We have studied the payments made during calendar year 1968 for all programs, particularly for cotton wheat and feed grains. Our analysis, which was begun before the recent House debate, has been primarily in terms of individual commodity programs. The Conte limitation relates to the individual producer, who may be in more than one commodity program. Therefore, our figures will not show the exact effect of the Conte amendment. But we have done enough additional work so that we know that our presentation reflects the general situation reasonably well. We will continue our studies and will be in position to report further if you wish.

Payment limitations of \$20,000 in 1968 would have affected, for cotton alone, 5,159 cotton farmers, 1.2 percent of those cotton farmers to whom we make payments. For feed grains alone, 877 feed grain producers would have been affected, one-tenth of one percent of those feed grain farmers who received payments. And for wheat alone, 702 wheat growers would have been affected, again one-tenth of one percent of those in the program. The number of dollars paid to these three groups receiving more than \$20,000 totaled \$215 million for cotton, \$26 million for feed grain, and \$21 million for wheat, a total of \$262 million. The proportion of production that would have been affected was 28 percent of the cotton crop, 2 percent of the feed grain crop, and 3 percent of the wheat crop. These and related facts are summarized in tables 1 and 2.

TABLE 4.—PRODUCERS RECEIVING \$20,000 OR MORE FROM SPECIFIED PROGRAMS, 1968

State	Cotton				Feed grain	Wheat	Wool ¹	Sugar ¹
	All programs	Price support	Total					
Alabama.....	279	118	204		2			
Arizona.....	568	442	504		15		12	74
Arkansas.....	599	461	558		2	1		
California.....	972	681	773		8	23	49	328
Colorado.....	195		1		19	50	26	52
Delaware.....	1							
Florida.....	69	3	3		2			59
Georgia.....	255	75	120		12			
Idaho.....	115				115			
Illinois.....	108	2	2		76	51	35	37
Indiana.....	95				63	1		
Iowa.....	88				76	1		
Kansas.....	301				31	69	6	50
Kentucky.....	7	2	2		5			
Louisiana.....	340	189	228		1	2	6	90
Maryland.....	2							
Michigan.....	17				7			4
Minnesota.....	32				17	2	2	11
Mississippi.....	1,145	901	1,074		2			
Missouri.....	178	37	51		59			
Montana.....	131				74	89	24	3
Nebraska.....	152					11	8	14
Nevada.....	16	2	3		54	2	10	24
New Mexico.....	233	45	52		1	14		
New York.....	3				8			1
North Carolina.....	77	28	45		3	34	1	14
North Dakota.....	66				17			4
Ohio.....	35	16	30		8	21	1	
Oklahoma.....	95				72	58	8	4
Oregon.....	7				4			
Pennsylvania.....	225	91	152		9	11	9	
South Carolina.....	42				1			
South Dakota.....	104	45	63		282	96	122	183
Tennessee.....	3,122	824	1,297		2	5	22	3
Texas.....	29				1			
Utah.....	3				1	157	8	14
Virginia.....	197	1	1		9			
Washington.....	15				66	1	65	5
Wisconsin.....	66				21			
Wyoming.....	1							
Alaska.....	21							
Hawaii.....								
U.S. Total.....	10,079	3,963	5,163		877	702	472	996

¹ Includes payments to payees receiving \$20,000 or more from all programs and includes some wool (or sugar) payments.

3. Approximately what share of these payments, crop by crop, consists of inducements to limit acreage and what share consists of income supplements?

There are two myths floating about, one to the effect that these payments are wholly for resource adjustment and the other that they are entirely income supplements.

It is easier to refute these two myths than it is to establish what are indeed the facts, because the matter is very complex. Our judgment is that for the 1968 crop, the breakdown was about as follows:

	Percent of payments	
	For resource adjustment	For income supplement
Cotton.....	35	65
Wheat.....	51	49
Feed grain.....	89	11
Total.....	65	35

4. Specifically, what is the snap-back provision for cotton?

The enactment of a payment limitation would bring into effect the so-called "snap-back" provision in the cotton legislation. The snap-back provision (Section 103(d) (12) of the Agricultural Act of 1949, as amended, which was enacted as a part of the Food and Agriculture Act of 1965) provides that if as a result of payment limitations the Department is unable to make available to

TABLE 1.—NUMBER OF PRODUCERS AND AMOUNT OF PAYMENTS BY SIZE OF PAYMENT, FOR EACH OF 3 PROGRAMS, UNITED STATES, 1968

[Dollars in thousands]

Payments in excess of—	Cotton			Feed grain			Wheat		
	Number of producers	Amount of payment		Number of producers	Amount of payment		Number of producers	Amount of payment	Certificates
\$3,000.....	55,045	\$560,282		79,422	\$431,995		52,395	\$305,121	
\$5,000.....	33,526	477,931		29,120	241,566		21,866	188,333	
\$10,000.....	14,790	347,211		5,335	83,858		4,663	72,748	
\$20,000.....	5,159	214,585		877	25,765		702	20,843	
\$30,000.....	2,455	149,270		233	10,448		213	9,211	

TABLE 2.—DISTRIBUTION OF PRODUCERS AND AMOUNT OF PAYMENTS BY PROGRAMS TO PRODUCERS RECEIVING IN EXCESS OF SPECIFIED AMOUNTS, UNITED STATES, 1968

[In percent]

Payment in excess of—	Number of producers			Amount of payment		
	Cotton program	Feed grain program	Wheat program	Cotton program	Feed grain program	Wheat program
\$3,000.....	12.4	5.4	6.4	72.2	31.8	41.8
\$5,000.....	7.7	2.0	2.7	61.5	17.8	25.8
\$10,000.....	3.4	.6	.4	44.7	6.2	10.0
\$20,000.....	1.2	.1	.1	27.6	1.9	2.9

The above discussion relates to those producers who would be affected by the limitation on a single commodity basis. In addition there are other producers affected by the \$20,000 limitation because of a combination of cotton, feed grain and wheat program payments. Under 1968 programs 8,890 producers were so affected, constituting four-tenths of one percent of all producers receiving payments under these programs. This group of producers received payments totaling \$240 million for cotton, \$56 million for feed grains, and \$39 million for wheat, or a total of \$335 million. Table 3 shows the figures:

TABLE 3.—NUMBER OF PAYEES RECEIVING \$20,000 OR MORE AND THEIR TOTAL PAYMENTS BY KIND OF PROGRAM OR COMBINATION OF PROGRAMS, 1968

Programs	Number of payees	Amount of payment (millions)
Cotton.....	7,063	\$240.4
Feed grain.....	5,201	55.9
Wheat.....	3,794	38.9
Cotton, feed grain, or wheat.....	28,890	335.3

¹ Payments from the 3 commodity programs listed. Entries for each program shown refer to payees receiving a payment of some size for that program.

² Net number of payees; some payees appear in 2 or all programs listed above.

Table 4 indicates the incidence of the payment limitations by states and by crops. This table includes wool and sugar. Half of the producers receiving payments in excess of \$20,000 were cotton growers. The states

most affected were in the South and in the South and in the West.

2. Would the limitation on payments result in a saving to the government? As I shall shortly show, the limitation on payments would trigger a snap-back provision for cotton that would increase the cost to government for the cotton program. We estimate this increased cost at about \$160 million.

There are other reasons to support the conclusion that the limitation on payments would bring about very little savings, if any, and might result in a net increase in cost. First, a considerable proportion of the farms subject to the limitation would undoubtedly be split up or leased out in such a fashion as to escape the limitation. We could prevent some of this but not all by any means. Many such changes are constantly occurring and are entirely legal. We estimate, for example, that perhaps as much as 70 to 85 percent of the potential cotton acreage affected by the \$20,000 limit would be able to maintain its eligibility for full payment.

Secondly, if a given acreage is to be retired from crops and if payments are the means of doing this, and if a payment limit is in effect, we would have to divert more acreage out of the smaller farms, which would be the only likely cooperators. With feed grain, which is the best example of a program having resource adjustment as its dominant feature, it would cost considerably more to run the program with payment limitations than without.

all cooperators through payments the full amount of price support to which they would otherwise be entitled, then the Department is obligated to provide price support at not less than 65 percent of parity through loans or purchases and the payment limitation would not be applicable.

5. What options are open to the Secretary under the snap-back provision?

The question has been raised whether the snap-back provision could be carried out in a manner which will still make cotton producers subject to the payment limitation. The question arises out of the existence of language in the snap-back provision which gives the Secretary permissive authority, as one method of providing the price support, to carry out a simultaneous purchase of cotton from producers at the support price and resale to them at a lower price. The argument is that such a transaction would constitute a payment and that if the program were carried out exclusively through that method, the limitation would still apply. It is our conclusion, however, that we could not legally restrict the method of providing price support to one to which the payment limitation would be applicable since that would defeat the very purpose for which the provision was enacted. We feel that we would be required to carry it out in a manner which will make available to all cooperators price support at not less than 65 percent of parity through loan or purchase on all cotton produced on their 1970 acreage allotments.

6. What would be the added cost of running the cotton program under the snap-back provision?

The snap-back provisions for cotton, which would be activated in the event payment limitations are invoked by the Congress, would provide that:

A. Price support for cotton would be not less than 65 percent or more than 90 percent of parity.

B. Price support may be carried out through simultaneous purchase of cotton at the support level and resale at a lower level—or through loans under which the cotton could be redeemed by the grower at a price lower than the amount of the loan.

C. Such resale or redemption price would be that which the Secretary determines will provide orderly marketing of cotton during the harvest season and will retain an adequate share of the world market for cotton produced in the U.S.

If the snap-back provision is invoked, CCC operations would be affected as follows:

A. It is estimated that production would amount to 14 million bales or about 2 million bales above the current crop. This is based on the 16.2 million acre national allotment with an allowance for some voluntary diversion.

B. The 1970 crop loan rate, basis middling 1-inch cotton, would increase from 20.25 cents per pound (90 percent of the estimated world price) to around 31.5 to 32 cents per pound (65 percent of the current parity price).

C. Practically all cotton would be placed under the CCC loan or purchase program. The cotton would either be redeemed by producers at a lower price or acquired by CCC and sold at a lower price.

D. The work load in the county offices and in the New Orleans Commodity Office would probably be expanded in the proportion of 14 million bales to the 4.4 million bales of the 1968 crop placed under loan.

E. More storage facilities would be required to handle the larger production. Storage costs, reconcentration activity, and transportation costs would increase substantially.

F. The total increase in CCC inventory would be an estimated 2.1 million bales.

G. The additional cotton production (1.5 million bales) would add materially to our problem of surplus cottonseed oil and surplus cottonseed meal.

Table 5 provides the pertinent statistics.

7. Would it be possible to operate a successful cotton program if payment limitations were in effect and if the snap-back provision were repealed?

This would be very difficult. Under present legislation, marketing quotas are in effect for

cotton. Heavy penalties are provided for overplanting, about 23.6 cents per pound. With quotas in effect and a limit on payments, large growers would be compelled to stay in the program but would be denied the advantages of the program.

TABLE 5.—UPLAND COTTON: ESTIMATES OF BASIC DATA FOR 1968 THROUGH 1970 CROPS (BASED ON PRESENT PROGRAM) AND 1970 UNDER THE SNAPBACK PROVISION

Item	1968 crop (1)	1969 crop (2)	1970 crop (present program) (3)	1970 crop (snapback) (4)
Acreage (thousands):				
Allotted.....	16.2	16.2	16.2	16.2
CAP, CR, Adjustment, etc.....	1.0	.9	.9	.9
Diverted for payment.....	3.2			2.4
Planted.....	10.9	11.9	11.9	12.7
Harvested.....	10.1	11.1	11.2	12.1
Field: Pound per acre harvested.....	5.5	520	530	550
Supply and utilization (1 000 bales):				
Production (including imports and city crop).....	10.9	12.1	12.5	14.0
Beginning stocks (including preseason ginnings).....	6.3	6.6	7.2	7.2
Domestic disappearance.....	8.1	8.3	8.4	8.4
Exports.....	2.5	3.2	3.5	3.5
Ending stocks.....	6.6	7.2	7.8	9.3
CCC stocks July 31.....	3.0	3.6	4.2	6.3
Support price per pound (Middling 1 inch) (cents).....	20.25	20.25	20.25	32.0
Support price per pound (average of crops) (cents).....	19.69	19.71	19.71	31.25
Price support payment rate (cents).....	12.24	14.73	17.31	
Diversion payment rate (cents).....	10.76+6.0			110
Producer payments.....	784	-826	966	156
Farm value of production (million dollars).....	1,192	1,290	1,302	2,172
Total (million dollars).....	1,976	2,116	2,268	2,328
Major receipts or expenditures (million dollars):				
Net change in stocks at loan rate.....	-230	-60	-60	-432
Storage, handling, and loan settlement.....	-3	-18	-20	-30
Producer payments.....	2 -742	-826	-966	-156
Snapback loss on sales or loan repayments.....				-595
Subtotal, price support expenditures.....	-975	-904	-1,046	-1,213
Public Law 480.....	-82	-70	-70	-70
Estimated major expenditures.....	-1,057	-974	-1,116	+1,283
Change in CCC stocks (million bales) (from June 30 of prior year).....	+2.2	+0.6	+0.6	+2.7

¹ Vol.

² F.Y.

Some people have suggested that payment limitations could be made operable for cotton if the snap-back provision were repealed. Our studies indicate that greater changes than these are required if payment limitations are to be made workable.

8. Would it be possible to finance payments in excess of \$20,000 from certain CCC funds which are not directly covered by the appropriations bill?

The suggestion has been made that since the limitation is only a limit on the funds appropriated by this Act, it could be avoided by using funds of the Commodity Credit Corporation which are on hand or those funds which are received from the repayment of loans or sale of commodities to administer the program. It is our view, however, that the limitation would be an effective legal limitation upon us, and that we could not use other funds to avoid it.

9. Would a payment limitation, written into the 1970 Appropriations Act, be specifically limited to payments made during fiscal 1970?

The question has also been raised whether the payment limitation would expire on June 30, 1970, or whether it would continue to apply after June 30, 1970, to the crops planted during the fiscal year 1970. This question assumes, of course, that the payment limitation might not be continued in the appropriation for fiscal year 1971. A similar question arose in connection with the \$50,000 limitation on price support which was included in the Appropriation Act for fiscal year 1960. The Comptroller General of the United States ruled that such limitation applied to all of the 1960 production of those commodities for which the 1960 program was approved on or before June 30, 1960, notwithstanding that the regulations implementing such programs were not completed until after June 30, 1960, and notwithstanding that the actual loans and purchases were not made until after June 30, 1960. That

decision would appear to be applicable to this limitation.

In view of the importance of the questions of legal interpretation which have arisen in connection with the limitation, I am asking the Comptroller General for his opinion on such questions. Our submission develops at some length the basis for the views I have just expressed concerning these questions. I can supply it for the record if you wish.

10. What position does the Department of Agriculture take on payment limitations?

My position is as stated during the debate in the House. At that time I sent the following message to members of the House of Representatives:

"The Department of Agriculture believes it is possible to design a sound farm program that limits the number of dollars that can be paid to any one farmer for programs following the 1970 crop year.

"However, to make such a limitation effective, legislative changes are needed. With only the simple amendment that is possible in connection with appropriation bills, the so-called 'snap-back' provision for cotton would come into effect. The cotton program would then become subject to a loan-and-redemption or a buy-and-sell-back arrangement that would increase costs while the large producers would escape the intent of the payment limitation.

"A simple amendment to the appropriations bill will not suffice. The Department is ready to work with the legislative committees on basic changes in the legislation and has modifications to suggest.

"The preferred time for considering these changes would be later in this session or early next session, when consideration must be given to the type of legislation that is to replace present laws. These laws are scheduled to expire after the 1970 crop."

I have not discussed limitations on payments under the wool and sugar programs. I have excluded wool because the expressed in-

tent of the payments is to increase production. Sugar is excluded because it already has a limitation on payments, albeit a very moderate one. Additionally sugar, along with wool, has an element of production incentive.

Appended to my statement are a number of tables that will provide added factual background, in the event that you should wish it. I assure you, gentlemen, that we have examined and are examining the whole ques-

tion of payment limitations with great care, having been quite sure that the question would arise, and being equally sure that the best judgments would emerge if all the known facts were made available.

TABLE 6.—FREQUENCY DISTRIBUTION OF PRODUCER PAYMENTS,¹ EXCLUDING WOOL AND SUGAR PROGRAM PAYMENTS, UNITED STATES, CALENDAR YEAR 1968

Producers							Total amount of payments						
Payment range	Number	Percent distribution	Cumulative percent distribution	Million dollars	Percent distribution	Cumulative percent distribution	Payment range	Number	Percent distribution	Cumulative percent distribution	Million dollars	Percent distribution	Cumulative percent distribution
Less than \$100	281,413	11.9	11.9	13.6	0.4	0.4	\$15,000 to \$24,999	10,320	0.4	99.8	194.5	6.1	91.4
\$100 to \$199	258,762	10.9	22.8	38.3	1.2	1.6	\$25,000 to \$49,999	4,611	.2	100.0	153.5	4.8	96.2
\$200 to \$499	543,822	22.9	45.7	182.8	5.7	7.3	\$50,000 to \$99,999	1,010	(2)	100.0	66.7	2.1	98.3
\$500 to \$699	244,819	10.3	56.0	145.4	4.6	11.9	\$100,000 to \$499,999	255	(2)	100.0	41.2	1.3	99.6
\$700 to \$999	257,576	10.9	66.9	216.3	6.8	18.7	\$500,000 to \$999,999	6	(2)	100.0	3.9	.1	99.7
\$1,000 to \$1,999	397,360	16.8	83.7	555.8	17.4	36.1	\$1,000,000 and over	3	(2)	100.0	7.0	.2	99.9
\$2,000 to \$2,999	154,187	6.5	90.2	376.0	11.8	47.9	Subtotal	2,371,634	100.0		3,187.3	100.0	
\$3,000 to \$3,999	79,591	3.4	93.6	274.6	8.6	56.5	Wool payments				69.4		
\$4,000 to \$4,999	46,359	2.0	95.6	206.9	6.5	63.0	Sugar payments				83.4		
\$5,000 to \$7,499	52,908	2.2	97.8	319.1	10.0	73.0	Undistributed funds ²				122.7		
\$7,500 to \$9,999	21,342	.9	98.7	183.6	5.8	78.8	Total	2,371,634			3,462.9		
\$10,000 to \$14,999	17,290	.7	99.4	208.2	6.5	85.3							

¹ Includes payments under following ASCS programs: cotton, feed grain, wheat, milk indemnity, agricultural conservation, emergency conservation, Appalachia, cropland conversion, conservation reserve, and cropland adjustment.

² Less than 0.05 percent.

³ Includes approximately \$90 to \$100,000,000 ACP (CMS advances) cost sharing made directly to vendors and not accountable to individual farm operators, payments to unidentified producers, etc.

Note: Sum of individual percentages and individual total amount of payments may differ from totals shown because of rounding.

TABLE 7.—MAJOR PROGRAM CHANGES HAVING A BEARING ON TOTAL PAYMENTS EARNED BY PROGRAM PARTICIPANTS, 1967 TO 1969

Item	1967	1968	1969	Item	1967	1968	1969
Cotton, upland				Wheat			
Price-support payment rate on 65 percent of farm allotment (cents per pound)	11.53	12.24	14.73	National acreage allotment	68,200,000	59,300,000	51,600,000
Diversion payment rate (cents per pound):				Domestic certificate allocation on projected production (percent)	35	40	43
Required diversion	10.78	10.76	0	Domestic certificate value (per bushel)	\$1.36	\$1.38	\$1.50
Additional diversion	10.78	6.00	0	Diversion payment rate:			
Diversion acreage ¹ (percent allotment):				Minimum diversion	0	0	0
Required diversion	12.5	5.0	0	Additional diversion	0	0	(2)
Maximum diversion (percent allotment):				Diversion acreage (amount equal to percent of allotment):			
Planting	35	35	0	Minimum	0	0	15
Not planting ²	12.5	5	0	Maximum	0	0	50
Feed grains				Wool			
Grains included:	Corn, grain sorghum	Corn, grain sorghum	Corn, grain sorghum, barley	Price-support payment rate (cents per pound):			
				Wool	.129	.262	.270
Price-support payment on 50 percent of farm base (cents per bushel):				Mohair	.221	.355	.324
Corn	30	30	30	Cotton ELS			
Grain sorghum	30	30	30	National acreage allotment	70,500	70,500	79,700
Barley	0	0	20	Price-support payment rate on actual production (cents per pound)	0	8.69	8.88
Diversion payment rate ¹ (percent county support):							
Required diversion	0	0	0				
Additional diversion	0	45	45				
Diversion acreage (percent of base):							
Required diversion	20	20	20				
Maximum diversion ³	0	50	50				

¹ Small farm provisions differ, but have not been outlined.

² Farms not desiring to plant cotton will earn diversion payments based on the required diversion percentage times the effective allotment.

³ Except farms with bases of 26 to 125 acres could divert 25 acres for payment if they do not plant feed grains.

⁴ Based on May 1969 parity.

⁵ 50 percent of county loan rate.

TABLE 8.—NUMBER OF PAYEES, TOTAL PAYMENTS, AND AVERAGE PAYMENTS, BY KIND OF PROGRAM AND BY PAYMENT SIZE FOR 1968

Program (1)	For payees receiving total payments of— ¹								
	More than \$4,999			More than \$9,999			More than \$19,999		
	Number of payees (2)	Amount of payments (in thousands) (3)	Average payment (4)	Number of payees (5)	Amount of payments (in thousands) (6)	Average payment (7)	Number of payees (8)	Amount of payments (in thousands) (9)	Average payment (10)
Cotton	46,016	\$520,107	\$11,303	21,045	\$389,782	\$18,521	7,401	\$244,477	\$33,033
Feed grain	74,720	332,803	4,454	21,875	148,843	6,804	5,705	58,948	10,333
Wheat	63,552	273,654	4,306	17,691	120,414	6,807	4,285	42,237	9,857
Wool	7,414	31,363	4,230	1,986	20,570	10,358	472	10,317	21,858
Feed grain wheat ²	56	50	893	16	39	2,438	7	24	3,429
Cotton, feed grain, wheat, or wool	111,600	1,157,977	10,376	35,385	679,648	19,207	9,916	356,003	35,902

Footnotes at end of table.

TABLE 8.—NUMBER OF PAYEES, TOTAL PAYMENTS, AND AVERAGE PAYMENTS, BY KIND OF PROGRAM AND BY PAYMENT SIZE FOR 1968—Continued

Program (1)	For payees receiving total payments of—								
	More than \$4,999			More than \$9,999			More than \$19,999		
	Number of payees (2)	Amount of payments (in thousands) (3)	Average payment (4)	Number of payees (5)	Amount of payments (in thousands) (6)	Average payment (7)	Number of payees (8)	Amount of payments (in thousands) (9)	Average payment (10)
CAP.....	4,287	\$24,348	\$5,679	1,228	\$10,682	\$8,699	292	\$3,784	\$12,959
Sugar.....	5,476	47,360	8,649	2,430	35,060	14,428	996	25,044	25,145
ACP.....	41,241	17,947	435	12,335	7,314	593	3,194	2,497	782
ECM.....	1,386	1,513	1,092	535	735	1,374	188	323	1,718
Appalachia.....	13	6	462	2					
CCP.....	212	629	2,967	44	154	3,500	5	15	3,000
CRP.....	7,672	20,442	2,664	2,285	5,966	2,611	564	1,481	2,626
All programs.....	114,334	1,270,222	11,110	36,008	739,559	20,539	10,079	389,147	38,610

¹ "Total payments" refers to all programs shown in col. 1. Entries for each program shown refer to payees receiving a payment of some size for that program.

² Payments were occasionally combined in 1 check.

TABLE 9.—PAYMENTS TO FARMERS OF \$20,000 OR MORE UNDER COTTON, WHEAT, AND FEED GRAIN PROGRAMS, 1968, 25 LEADING STATES

State	Total (millions)	Excess (millions)	Average per payee (thousands)	Wheat		Feedgrains		Cotton		Class
				Total (millions)	Average (thousands)	Total (millions)	Average (thousands)	Total (millions)	Average (thousands)	
1. Texas.....	\$96.3	\$38.3	\$33.2	\$10.2	\$6.9	\$26.0	\$11.2	\$60.2	\$23.6	Cotton, feed grain, wheat.
2. California.....	51.5	35.0	62.3	1.3	12.1	.8	5.1	49.4	61.5	Cotton.
3. Mississippi.....	45.4	22.6	39.8	.3	2.2	.8	1.7	44.2	38.8	Do.
4. Arizona.....	30.6	19.7	56.3	.5	2.5	1.0	8.1	29.1	53.8	Do.
5. Arkansas.....	21.2	9.5	36.1	.3	4.2	.1	1.2	20.8	35.5	Do.
6. Alabama.....	8.8	3.4	32.7	.1	1.5	.8	3.7	7.9	29.1	Do.
7. Louisiana.....	8.4	3.4	33.1	.1	3.1	.2	2.1	8.0	32.3	Do.
8. Kansas.....	7.4	2.3	28.7	4.4	17.0	3.1	12.2		2.0	Wheat, feed grain.
9. Georgia.....	6.6	2.3	30.3	.1	2.5	1.5	8.6	5.0	23.2	Cotton, feed grain.
10. South Carolina.....	6.5	2.4	32.1	.1	1.3	.7	4.2	5.8	28.2	Cotton.
11. New Mexico.....	6.1	2.3	32.6	1.4	11.4	2.8	18.8	1.9	18.5	Feed grain, wheat, cotton.
12. Washington.....	5.3	1.9	30.7	5.2	30.5		8.0			Wheat.
13. Missouri.....	5.1	1.9	32.3	.4	3.8	2.7	19.9	2.0	21.6	Feed grain, cotton.
14. Colorado.....	4.1	1.6	32.8	2.6	21.1	1.4	12.4		3.7	Wheat, feed grain.
15. Nebraska.....	3.8	1.1	27.7	.8	7.5	3.0	21.7			Feed grain, wheat.
16. Montana.....	3.4	1.4	34.8	3.4	34.5		2.7			Wheat.
17. Tennessee.....	3.0	1.0	30.5		2.4	.4	5.6	2.5	26.2	Cotton.
18. Illinois.....	2.7	.8	28.7	.2	4.5	2.4	25.9		13.0	Feed grain.
19. North Carolina.....	2.7	1.2	36.8		.9	.7	10.4	2.0	29.3	Cotton, feed grain.
20. Indiana.....	2.6	.9	31.5	.2	3.6	2.4	28.7			Feed grain.
21. Oklahoma.....	2.5	.8	29.3	1.0	12.9	.3	5.5	1.2	18.3	Cotton, wheat.
22. Iowa.....	2.3	.8	29.0		3.1	2.2	28.4			Feed grain.
23. Oregon.....	1.8	.6	29.4	1.8	29.2		15.0			Wheat.
24. Idaho.....	1.7	.6	30.3	1.7	30.2		2.0			Do.
25. North Dakota.....	1.2	.3	26.3	1.1	23.7	.1	3.4			Do.
Total.....	331.0	156.1		37.2		53.4		240.0		
Cotton/grain States.....		46.8		13.1		34.0		72.3		
Cotton States.....		97.0		2.7		4.8		167.7		
Wheat, feed grain States.....		5.0		7.8		7.5		0		
Wheat States.....		4.8		13.2		.1		0		
Feed grain States.....		2.5		.4		7.0		0		
Subtotal.....		156.1		37.2		53.4		240.0		
United States.....	335.3	157.5	37.7	38.9	10.2	55.9	10.8	240.4	34.0	

Mr. WILLIAMS of Delaware. Mr. President, I shall be ready to vote in a minute.

The argument has been presented that this bill is not the proper vehicle for the Senate to deal with this proposal for a limit on farm subsidy payments. I call attention to the fact that this is not an amendment from the floor of the Senate. The Senate will be voting on an amendment that was included in the bill as it passed the House of Representatives. The Senate Committee on Appropriations proposes to delete the language of the House amendment. What I am opposing is a Senate committee amendment and am thereby trying to retain the \$20,000 ceiling on the subsidy payments.

It has been conservatively estimated that the rejection of the Senate committee amendment would save about \$335 million that is now being paid to those so-called farmers who are drawing in excess of \$20,000.

The next amendment that will be proposed if this Senate amendment is rejected will be a proposal to repeal the snapback provision.

I remind Senators that tomorrow hearings will begin in the Senate Finance Committee on the bill to continue the 10 percent surcharge tax. If today we can save \$335 million this is even more important than increasing taxes. Before we increase taxes it is equally important that we discontinue some of the spending.

This present farm program does not help the small farmer. The small farmer who must maintain the efficiency of his operation, cannot afford to take advantage of the acreage reserve program.

I listened to the argument that the Secretary of Agriculture is against any limitation of these large payments. The former Secretary of Agriculture, likewise, opposed any ceiling or any limitation. Both Secretaries, unfortunately in my opinion, are more interested in supporting the large corporate-type operations. I do not see how any Senator can justify payments involving half a million dollars and some of more than a million dollars to so-called farmers not to cultivate their land.

Most of the cultivating those corpora-

tions are doing is not on the farm but in the Federal Treasury. The American taxpayers cannot afford this giveaway program.

I hope the Senate will reject the committee amendment and thereby retain the House provision with its \$20,000 ceiling on these payments, both in the interest of economy and in the interest of fair play for the American farmer. I speak as a Senator from the East, but I also point out that I come from a county that recently ranked fifth in agricultural production among counties east of the Rocky Mountains. So I think I can say that I understand some of the problems of the farmers. I repeat, the county in which I live, even though small, will outrank many of the farm counties of Midwestern States.

I do not think these large payments, oftentimes to absentee owners, can be justified under any circumstances. I hope that the committee amendment will be rejected and that we can hold the ceiling at \$20,000. The next order of business, then, will be to repeal the so-called snap-back provision.

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. EAGLETON in the chair). The Senator from Florida will state it.

Mr. HOLLAND. Do I correctly understand that the vote about to be taken will be on the committee amendment to eliminate from the bill the House provision relating to a limitation of payments?

The PRESIDING OFFICER. The Senator is correct; beginning with line 14 and extending through line 19 on page 23.

Mr. HOLLAND. A vote "yea" will be vote for the committee amendment which strikes the House limitation?

The PRESIDING OFFICER. That is correct, to eliminate the limitation.

Mr. HOLLAND. I thank the Presiding Officer.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment beginning with line 14 and continuing through line 19 on page 23. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. METCALF (after having voted in the affirmative). Mr. President, on this vote I have a pair with the Senator from Wisconsin (Mr. NELSON). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from Washington (Mr. MAGNUSON), and the Senator from Wisconsin (Mr. NELSON) are absent on official business.

I also announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Nevada (Mr. CANNON), the Senator from Alaska (Mr. GRAVEL), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

On this vote, the Senator from Alaska (Mr. GRAVEL) is paired with the Senator from Connecticut (Mr. RIBICOFF). If present and voting, the Senator from Alaska would vote "yea" and the Senator from Connecticut would vote "nay."

On this vote, the Senator from Washington (Mr. MAGNUSON) is paired with the Senator from Maryland (Mr. TYDINGS). If present and voting, the Senator from Washington would vote "yea" and the Senator from Maryland would vote "nay."

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), would vote "yea."

Mr. SCOTT. I announce that the Senator from Michigan (Mr. GRIFFIN) is absent on official business.

The Senator from Vermont (Mr. PROUTY) is necessarily absent.

The Senator from Massachusetts (Mr. BROOKE), the Senator from New Hampshire (Mr. COTTON), and the Senator from Florida (Mr. GURNEY) are detained on official business.

If present and voting, the Senator from Massachusetts (Mr. BROOKE) and the Senator from Michigan (Mr. GRIFFIN) would each vote "nay."

On this vote, the Senator from Florida (Mr. GURNEY) is paired with the Senator from Vermont (Mr. PROUTY). If present

and voting, the Senator from Florida would vote "yea" and the Senator from Vermont would vote "nay."

The result was announced—yeas 53, nays 34, as follows:

[No. 53 Leg.]

YEAS—53

Aiken	Ellender	Montoya
Allen	Ervin	Mundt
Allott	Fannin	Murphy
Baker	Fong	Muskie
Bennett	Fulbright	Pearson
Bible	Goldwater	Randolph
Burdick	Hansen	Russell
Byrd, W. Va.	Holland	Smith
Cook	Hollings	Sparkman
Cooper	Hruska	Stennis
Cranston	Inouye	Stevens
Curtis	Jordan, N.C.	Symington
Dirksen	Jordan, Idaho	Talmadge
Dodd	Long	Thurmond
Dole	McCarthy	Tower
Dominick	McClellan	Yarborough
Eagleton	McGee	Young, N. Dak.
Eastland	Miller	

NAYS—34

Bayh	Hughes	Pell
Bellmon	Jackson	Percy
Boggs	Javits	Proxmire
Byrd, Va.	Kennedy	Saxbe
Case	Mansfield	Schweiker
Church	Mathias	Scott
Goodell	McGovern	Spong
Gore	McIntyre	Williams, N.J.
Harris	Mondale	Williams, Del.
Hart	Moss	Young, Ohio
Hartke	Packwood	
Hatfield	Pastore	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mr. Metcalf, for.

NOT VOTING—12

Anderson	Gravel	Nelson
Brooke	Griffin	Prouty
Cannon	Gurney	Ribicoff
Cotton	Magnuson	Tydings

So the committee amendment was agreed to.

Mr. HOLLAND. Mr. President, I move that the vote by which the committee amendment was agreed to be reconsidered.

Mr. HRUSKA. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

Mr. HOLLAND. Mr. President, I have agreed to yield to the distinguished Senator from Delaware at this stage and gladly do so at this time.

Mr. WILLIAMS of Delaware. Mr. President, I indicated that I was going to offer the next amendment which would repeal the so-called statute of limitations. However, I recognize that it would be the same vote as the preceding one and, therefore, I see no need to delay the time of the Senate and I shall not offer it at this time.

The PRESIDING OFFICER. The clerk will state the next amendment.

The LEGISLATIVE CLERK. On page 4, line 11, after "(21 U.S.C. 114b-c)", strike out "\$89,493,000" and insert "\$92,126,500"; and, in line 19, after the word "exceed", strike out "\$1,000,000" and insert "\$2,000,000".

Mr. HOLLAND. Mr. President, if the Senator from New York (Mr. JAVITS) has any preference among his amendments as to which ones he would like to call up first, I would have no objection.

Mr. JAVITS. Mr. President, I believe that this matter can be settled.

The committee amendment on page 4, line 11, and the committee amendment, on page 4, lines 19 and 20, go together and relate to the facility at Fort Tilden, N.Y. This amendment relates to the construction of a replacement on the animal quarantine station presently located at Clifton, N.J. I have received a letter from the Department of Agriculture concurred in by Under Secretary of the Interior Russell E. Train on this subject which I should like to read into the RECORD. I have already consulted with the two Senators interested; namely, the Senator from Florida (Mr. HOLLAND) and the Senator from New Jersey (Mr. CASE).

This letter is signed by the Under Secretary of Agriculture, J. Phil Campbell, and is concurred in by Under Secretary Train, of the Department of the Interior.

Mr. President, I ask unanimous consent to have the letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, July 1, 1969.

Hon. JACOB K. JAVITS,
U.S. Senate

DEAR SENATOR JAVITS: This has reference to proposed relocation of U.S. Animal Quarantine Station, now located at Clifton, New Jersey, to a site at the Fort Tilden Military Reservation, Queens County, Long Island, New York. The relocation of the Clifton facility was authorized by Act of September 12, 1964 (P.L. 88-592, 78 Stat. 939).

The \$2 million provided in the 1970 Agricultural Appropriation Bill (H.R. 11612) as reported by the Senate Committee on Appropriations will be used for construction of animal quarantine facilities at Fort Tilden, New York, only if the Secretaries of Agriculture and Interior agree that such facilities are compatible with the use of Fort Tilden and its environs for public outdoor recreation purposes.

If such agreement cannot be reached, these funds would be used for construction of animal quarantine facilities at an alternative location yet to be selected. The Department of Agriculture would advise the House and Senate Committees on Appropriations before final decision is made on such alternative location.

I have discussed the above proposal with Under Secretary of Interior Russell Train and our two departments are in agreement with this arrangement.

Identical letters are being sent to Senators Spessard L. Holland and Roman L. Hruska and Congressmen Jamie L. Whitten and Odin Langen.

Sincerely,

J. PHIL CAMPBELL.

Mr. JAVITS. Mr. President, the important paragraph is as follows:

The \$2 million provided in the 1970 Agricultural Appropriation Bill (H.R. 11612) as reported by the Senate Committee on Appropriations will be used for construction of animal quarantine facilities at Fort Tilden, New York, only if the Secretaries of Agriculture and Interior agree that such facilities are compatible with the use of Fort Tilden and its environs for public outdoor recreation purposes. If such agreement cannot be reached, these funds would be used for construction of animal quarantine facilities at an alternative location yet to be selected.

Mr. President, I am satisfied with that disposition and I gather that other Sena-

tors are. The committee amendment should be agreed to, with the understanding of both departments as expressed in the letter which I have just placed in the RECORD.

Mr. HOLLAND. Mr. President, I would have no objection to that course being followed but I want the RECORD to show two things: First, that the island on which Fort Tilden is located contains 311 acres. It is proposed by the Department of Agriculture, after a long search over the past several years, for a site, to locate its quarantine facilities for imported livestock, and birds, and other imported species will require only 27 acres of that 311 acres. The Department of Agriculture, as I understand it, is quite willing to see the rest of the island used for park or recreational purposes.

I think I should state, as the Senator from New Jersey (Mr. CASE) is not in the Chamber at the moment, that the town of Clifton, N.J., where the old quarantine facilities are located, has been trying for years to get rid of those facilities, and already has the financing and the plans available to build a civic and community center at the location of the old quarantine station. The Department of Agriculture has found the existing facility is not adequate by any means for the handling of imported animals and other living things which pass through that station.

I am quite agreeable to the solution reached between the two departments. I think we will have to leave it up to them to work out.

Mr. JAVITS. I thank my colleague from Florida. I merely point out, as the letter states, that the question is really one of possibility of accommodating both the quarantine station and the Gateway National Seashore. I, too, am content that the relevant departments should share this determination.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 4, line 11.

The committee amendment was agreed to.

Mr. HOLLAND. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. HRUSKA. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The LEGISLATIVE CLERK. On page 4, line 19, strike "\$1 million" and insert "\$2 million."

Mr. HOLLAND. Mr. President, both these amendments, as I understood from the Senator from New York, were covered by the letter which he had placed in the RECORD, and it now becomes a matter of agreeing to the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. HOLLAND. Mr. President, I move that the vote by which the committee

amendment was agreed to be reconsidered.

Mr. HRUSKA. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The LEGISLATIVE CLERK. On page 19, after line 7, insert:

SPECIAL MILK PROGRAM

For necessary expenses to carry out the provisions of the Special Milk Program, as authorized by section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772) \$84,000,000.

AMENDMENT NO. 63

Mr. JAVITS. Mr. President, at my request, the Senator from Florida withheld unanimous consent on this amendment. He was kind enough to ask me which of my amendments I would like to bring up first, and I should like, with the Senator's permission, to ask unanimous consent that, at this stage of the proceedings, I may bring up amendment No. 63, changing that figure from \$10 million to \$20 million.

Mr. President, I should like to explain the reason for my request. The reason is that it would be more logical to bring up this amendment before dealing with the specialized question of milk. If it is agreeable with the Senator, I would ask unanimous consent that amendment No. 63 may now be considered out of order. It would only be in order, as I understand it, after all committee amendments have been dealt with.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, I call up amendment No. 63 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 18, line 18, delete "\$10,000,000" and insert in lieu thereof "\$20,000,000".

Mr. JAVITS. Mr. President, I am joined in offering this amendment by Senators BROOKE, HART, KENNEDY, and MONDALE. We have prepared a memorandum which is available to such Members as are in the Chamber and are interested in this particular amendment. This amendment would restore the amount requested by the previous administration. This administration cut this particular item by 50 percent, or \$10 million. The previous administration had recommended \$20 million. We are proposing in this amendment to go back to the figure of \$20 million.

This is the so-called Vanik program which relates to special food service for children not in school but in day care centers, recreational centers, settlement houses and other child-care centers. Our interest in this question goes directly to the question of day care about which I have had very deep concern during the years I have been in Congress and which has come into focus now, when we talk about the rearrangement of national priorities.

One of the great national priorities is reform of the welfare system, and endemic in the welfare system is the question of jobs. We all know, because we have heard it now so many, many times, that the greatest reservoir of jobs is among the AFDC mothers—that is, relatively young women who could work if some way were found to look after their children.

The fact is that the day care programs of the United States reach perhaps, at the most, about 25 percent of the children of mothers who are working or could work. Children whose mothers do work are deprived and, in communities like mine, children will often wander around with keys on strings around their necks so they can get into their apartments, if they need to, with the help of neighbors; moreover, many mothers do not work and are on welfare when they do not have to be.

Resources allocated to the nonschool food program are inadequate. This program has an authorization this year of \$32 million. I repeat, the authorization is \$32 million for 1969, 1970, and 1971. The previous administration recommended \$20 million. This administration reduced that to \$10 million. The sponsors of this amendment propose that it be restored to \$20 million.

The nonschool food program is a new program. It is an effort to encourage day-care centers by having available adequate food to make it desirable to establish day-care centers. This, as it were, is an inducement, an incentive, to establish more day-care centers. The program is flexible, so that food services may be available on a year-round basis as well as in summer programs.

It is a fact that this program has just started. Indeed, it has had to date hardly a year of operation, so much so that last year there was a \$3 million carry-over. So there would be carried over to this year, if we appropriated the \$10 million as it came from the House a total of \$13 million.

Interestingly enough, though it is a new program, its growth is phenomenal. It seems to have touched a chord of particular interest in the country. To indicate the size of its growth, may I give this figure? On February 19 last, only 4 months ago, the Department of Agriculture had contracted with 300 institutions, serving 16,000 children. Yet only 4 months later, the program had already grown to include 1,200 institutions, with 115,000 children. Hence, in 4 months, there were 900 additional institutions, serving nearly 100,000 more children.

The Children's Bureau estimates that there are 150,000 children in year-around day-care centers now. All we are reaching through this food program is, according to the Agriculture Department, 28,000 and, according to the testimony to the appropriations committee, 50,000.

We may also expect a very large increase in the potential number of children to be served, because we are putting into effect certain provisions of the law regarding AFDC mothers. This will bring about a much greater work force among AFDDC mothers than we have had up

to now. This was the major change in the welfare laws adopted by the last Congress.

The experts in the Children's Bureau of the Department of Health, Education, and Welfare estimate that 1,380,000 children from infancy through age 14 need day-care service in the United States. Of this number, something like 500,000, exclusive of Headstart, are in the poverty category.

As of March 1967, we had over 4 million working mothers with children under 6 years of age, and 6.4 million working mothers with children of 6 to 17 years of age, whereas licensed day-care centers were available for under half a million.

In short, my argument is that here is an extremely desirable program, which gives an incentive for the establishment of day-care centers so urgently needed in the country and supports the very policies which we ourselves are offering, to wit, a basic policy to bring as many AFDC mothers as we possibly can into the work force. This particular appropriation should not be an object of economy. There should not be a 50-percent cut in the recommendation of the previous administration that \$20 million is necessary for this program.

Through doubling this amount, we will contribute to a policy which we have ourselves legislated, the policy of the Social Security Act, title IV, which requires States to provide AFDC mothers with training and employment opportunities, and which will accordingly, materially increase the child population in day-care centers.

We have proposed a \$20 million appropriation, because these changes, which are gradually biting in and taking effect, will mean that there are likely to be 200,000 children in day-care centers in 1970.

Based upon that estimate of day-care enrollments, the amount needed will be, in round figures, \$20 million. It is that upon which this amendment is based.

Just one more comment, Mr. President. The reason I said I would like to call this amendment up before the committee amendment on the use of section 32 funds for milk is that that amendment is intended to reach some of the same children.

Frankly, having served with the distinguished Senator from Florida on the conference committee last year, and knowing of his very deep devotion to the section 32 concept, I would like to avoid getting into what I know is a very difficult subject.

Certainly, I hope that we can amend this particular item that should appeal, it seems to me, to Senators of all points of view—liberal, conservative, or middle of the road—because the nonschool food program conducive to encouraging a kind of activity which is indispensable to adequate welfare reform. It will enable young women to work rather than to remain on welfare.

Mr. HOLLAND. Mr. President, I thank the Senator from New York for referring to my particular sensitivity to anything that raids section 32 funds.

After all, these funds are the main anchor to windward for protecting between 70 and 80 percent of the agricul-

tural dollar production of this Nation. These nonprice supported* perishables include livestock, poultry, vegetables, fruits, and even some dairy items.

I am not unsympathetic with the objective of the bill which we passed last year and which I supported—Public Law 90-302—which provided this special food service program. In the Appropriations Committee, I was not unsympathetic to the request, in the 1968 supplemental appropriation bill, for a \$10 million appropriation to be available throughout 1969.

Now we are through 1969, and instead of spending that \$10 million in this very worthy program, or even spending as much as they thought would be spent when they submitted the budget, I am advised now, in this letter dated today from Mr. John M. Buhl, Director of the Budget division handling this nonschool food program, better known as the Vanik bill, that there is now \$5.7 million carried over from the \$10 million of last year, and that amount will last throughout the summer.

I have two proposals to make to the Senator, either one of which I am willing to accept, provided my distinguished friend from Nebraska will approve.

Mr. Buhl and Mr. Davis, who are handling this program, both suggest that we wait for the last supplemental bill, and see what progress they can make this summer. They doubt if they can spend the entire \$5.7 million carryover from the 1969 available funds. I am willing to state to the distinguished Senator that if the \$5.7 million proves to be insufficient, as chairman of the subcommittee and as the ranking member of the supplemental committee, I would be agreeable to add into that last supplemental bill any sum that was within reason and which could be absorbed by the program.

I think that is the more reasonable way to support the Senator's objective. If the Senator insists upon an amendment, I would have to insist that it be greatly reduced from the \$10 million which he proposes to add, and I think he will get more, in the long run, if he will stay with the Senator from Nebraska and myself—and I see the Senator from Nebraska nodding his head in agreement on this—and await the consideration of the last supplement bill. At that time we will be under obligation to do whatever seems to be reasonable to meet the program as it then exists.

As it now exists, the program cannot even use this \$5.7 million carryover during the summer months—at least we are so advised by Mr. Davis and Mr. Buhl; and of course, they have the knowledge in the Bureau of the Budget and in the Department of Agriculture which we do not have here, of how much the program can usefully absorb.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. HOLLAND. I now yield to the Senator from Nebraska.

Mr. HRUSKA. The Senator from Florida has pretty well outlined my position. There is a carryover of \$5.7 million. We do have advice that they have not been able to use the appropriation of \$10 million in fiscal 1969. Certainly the next 60 days will pretty well give indica-

tion of the extent to which they can use that carryover, and what might come about by way of a deficiency which would require a supplemental at that time.

The Senator from Florida and I have discussed the matter. We do believe it would be in better keeping with sound appropriation practices and procedures to await the developments in the next 60 days, and then take the matter up in the Supplemental Appropriations Subcommittee, of which both the Senator from Florida and I are members. I should prefer that first alternative.

Mr. HOLLAND. The second alternative, Mr. President, which I have not discussed with my distinguished friend from Nebraska, but which has now been suggested to me by the distinguished Senator from New York, is that we add \$5 million, with the understanding that this will be for the full fiscal year, and we will not have to deal with this matter again in a later supplemental for 1970.

Mr. JAVITS. Will the Senator yield, so that I may explain that?

Mr. HOLLAND. Let me simply add that I think the Senator is taking the less desirable course, because if they proceed with this program as quickly as the Senator thinks, they would be justifying the larger amount anyway.

Mr. JAVITS. Mr. President, I believe that I know the parameters of planning. If the two Senators—and I am convinced that they will—smile upon this program, as it were, then I think a modest increase would be giving the Department the encouragement needed. The Senate would have complete control of the process throughout.

This program has been functioning for less than a year, and there has been a phenomenal rate of growth from February to July in the number of States and children covered. I would hope very much that the Senators could go along with this figure. As I say, they fully control the process. It would give the Department an indication of the fact that this is a program with which we find favor. That, I think, would go a long way toward encouraging the process of extending it throughout the country. Having been on the Appropriations Committee, and knowing both Senators, I know their word is as good as gold. That is not my point. I have no doubt whatever that if the Senators are faced with a supplementary appropriation, having said what they have, they will handle it properly.

I think that it would be much more salutary to give an indication that this program does find favor with the Congress and we are willing to encourage it by allowing somewhat more money for it.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HRUSKA. I would think, Mr. President, that an appropriation of \$10 million, plus the \$5.7 million, amounts to a fairly substantial fulsome smile in and of itself. The operations are then open, and the supplemental process will address itself to whatever the situation is when we get into the August or September conditions as they then will exist.

But I should think this colloquy on the floor, together with an amount avail-

able of \$15.7 million, should be ample for the purpose.

Mr. HOLLAND. Mr. President, this committee—including, I am sure, the Senator from Nebraska—has been as sympathetic to this action as any other Senators, and I believe the Senator from New York also has been sympathetic to it. The committee has already recommended the amount for the entire feeding program be raised from \$1.243 billion-plus for fiscal 1969 to \$1.955 billion-plus for 1970, or a total increase of \$711 million. Mr. President, I do not think we need to state anything more to show the fact that this committee has shown great sympathy for all these feeding programs.

I hope that our distinguished friend, recognizing that fact, which speaks louder than words, will permit this matter to go on to the supplemental bill. I agree completely with the distinguished Senator from Nebraska that the \$10 million already in the bill, plus the \$5.7 million which we have as a carryover, or a total of \$15.7 million, makes more than three times as much as has been spent all through 1969 on this particular program. It seems to me that fact shows that we should proceed rather slowly in making any additional increase. I hope the Senator will accept that proposition. Certainly the offer is made in good faith by the Senator from Nebraska and me. We simply want to see what is done in this program, and we think that our record in jumping the total of the feeding program—Senators will find it on page 18 of our report—from \$1.243 billion to \$1.955 billion speaks rather loudly for the sympathy which the committee has felt in the support of these feeding programs, which go to the poverty stricken, the schoolchildren, and the children in the disadvantaged spots of which the Senator has just spoken.

I hope the Senator will leave the matter as it is on this basis, which is much more nearly in accord with our feelings than an other disposition which could be made.

Mr. JAVITS. Mr. President, I can understand the desire of the chairman and the ranking minority member of the committee to stay with the figures which they have brought to the Senate and not have them increased.

I have three answers to the points which have been made. First, as to the overall total with respect to the feeding programs, surely \$10 million is not anything when compared to \$1,243,332,000. That is why one has to move item by item in respect to this matter and analyze what is and is not being done.

The \$10 million figure is exactly the same as advanced last year on this particular program, notwithstanding the fact that this program is growing by leaps and bounds. The program got started just last year. We can understand that there is a carryover. If the Senate were to appropriate \$20,000,000, there would be a totally different view of this program.

I have no doubt of the good faith of my colleagues. I would be the first to affirm it. But we direct this amendment to the frame of reference in which the

program is handled within the Department of Agriculture and in which it goes to the country.

Thus, my first answer is that this program has shown such growth as to deserve an increase in the program as recommended by the previous administration. Second, we are, ourselves, enforcing under the Social Security Act, title IV, a requirement which would place infinitely more children in the day-care centers. We are now insisting that the AFDC mothers put the children in day-care centers. That will very materially increase the child day-care population.

Third, I felt that it was desirable not to press the amendment on special milk, in view of the fact that the Senator from Florida (Mr. HOLLAND) and the Senator from Nebraska (Mr. HRUSKA) had a passionate devotion to the section 32 equation. So I offered the pending amendment in the hope of thereby wrapping up everything I had to say and to propose in one package.

Mr. HOLLAND. Mr. President, does the Senator mean that, if we appropriate the \$5 million here, the Senator will withdraw the amendment to increase the transfers from section 32?

Mr. JAVITS. The Senator is correct.

Mr. HRUSKA. Mr. President, as I understood the proposal of the Senator from Florida, if the \$5 million is added now, it is conditioned upon the idea that there would be no further request this fiscal year for any additions to the fund.

If that is what the Senator from New York wants, I think he ought to have it. However, I suggest to the Senator that the Senator from Florida is correct. The wiser course would be to allow \$15.7 million, which is the \$10 million plus the carryover from last year.

There would be no prejudice to the full-steam-ahead development of the program to which the Senator referred. That would see us through the calendar year. And there is a supplemental coming up within the next 60 days. The options would be more generous and liberal by acceding to that than by calling for \$5 million additional now and calling for a supplemental for the balance of the year.

Mr. JAVITS. Mr. President, I do not believe—and the Senator does not have to agree with me—that it is desired to hold the children hostage for me or vice versa.

Mr. HRUSKA. I have no desire to do so.

Mr. JAVITS. If the amount should be more than \$15 million and we can convince the Senator that we need more than \$15 million, I am convinced we can get it. As far as I am concerned, I will not ask for it, and I will not press the matter of the special milk if the amount is increased to \$15 million.

Mr. HOLLAND. Mr. President, the Senator from New York, as usual, has exhibited a heart as big as a Georgia watermelon, and that is all right. The Senators on the committee also have rather large hearts. We will agree to the \$5 million increase, and we understand the Senator will not press his other amendments.

Mr. JAVITS. Mr. President, I revise

my amendment to make it read \$15 million instead of \$10 million.

The PRESIDING OFFICER. The amendment is modified accordingly.

Mr. JAVITS. I understand that another place in the bill needs to be amended.

Mr. HOLLAND. Mr. President, the increase of \$5 million on line 18 from \$10 million to \$15 million would require also an increase of \$5 million on line 11 from \$247 million to \$252 million.

Mr. JAVITS. I modify my amendment accordingly.

The PRESIDING OFFICER. The amendment is accordingly modified.

The question is on agreeing to the modified amendment of the Senator from New York.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the Senator's amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PERCY. Mr. President, I commend the distinguished Senator from Florida and the distinguished Senator from New York.

I want to relate one instance which will reaffirm the tremendous need for this new program. A week ago Friday in East St. Louis the Select Committee on Nutrition and Human Needs held hearings. We had testifying before the committee a man who indicated that he had 11 or 12 children and that he had been on welfare, but that he was now able to get a job that paid him \$50 a week. However, he was immediately taken off welfare. He had to feed 12 children on \$50 a week.

The man indicated that he was able to get good, nourishing, hot lunches and breakfast for 25 cents for his children in school, but that the children who were eligible to go to day-care centers did not have the benefit of the breakfast or lunch program.

Mr. President, a program such as has been agreed on will help us accelerate meeting the needs of many Americans, millions of them children, for whom we have not provided a delivery service for getting meals to them in day-care centers, recreation centers, and other community centers which have the physical facilities but need the financial support that the accelerated program will help us provide.

Mr. President, I commend the Senators for providing the additional \$5 million.

Mr. JAVITS. Mr. President, it sometimes might sound as if we are matching things together very quickly here. However, I join with the Senator from Illinois (Mr. PERCY) in thanking my colleagues, men of conviction, on the Appropriations Committee who feel very deeply and fight very hard for far less than \$5 million, as they should.

I am very grateful that we were able to work the matter out to everybody's satisfaction.

Mr. PERCY. Mr. President, the Senator from South Dakota (Mr. McGOVERN) and I listened to the man testify, along

with members of our staff. We were deeply moved by his statement.

I said, "What will you do if you cannot get the food with which to feed your children?"

He said, "Senator, I will tell you now, I will go out and rob. I will go out and steal. I will somehow get the money to feed my children if I cannot get it any other way."

Here was a man who did not have an education and who could not read or write. He finally got a job paying \$50 a week but then was taken off the welfare roll. He was penalized because his children received less as a result of his wanting to go out and earn his living rather than to accept welfare. Under that kind of program, adequate food was not available for his children in day-care centers.

We have much to learn about welfare and how to handle these programs. I think that this year Congress, will move forward dramatically in meeting these great human needs.

I thank the distinguished Senator from Florida and the distinguished Senator from New York.

Mr. HOLLAND. Mr. President, I am advised by the clerks at the desk that two committee amendments not yet acted upon remain. Both deal with the special milk program, recently discussed by the Senator from Nebraska and me with the Senator from New York. They appear on page 19, lines 8 through 12.

The PRESIDING OFFICER. That is the pending amendment.

Mr. JAVITS. Mr. President, may I ask the Senator from Florida about one point?

Mr. HOLLAND. Certainly. First, let me describe the other amendment, because I think the two amendments should be considered en bloc. The first amendment begins on line 17 through line 20 on page 20.

The second amendment begins at the end of line 20 and continues on lines 21, 22, and 23 of page 20, and on lines 1 and 2 of page 21.

I ask that the two committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The last committee amendment will be stated.

The amendment was read, as follows:

On page 20, line 17, after the word "employability", insert "and (c) milk for children in nonprofit high schools and schools of lower levels, child-care centers, summer camps, and similar nonprofit institutions devoted to the care and training of children"; and, in line 20, after the amendment just above stated, strike out "For necessary expenses to carry out the provisions of the Special Milk Program, as authorized by section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772) \$120,000,000, to be transferred from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c)."

Mr. JAVITS. Mr. President, I have no objection to the amendments being considered en bloc, nor do I have any objection to their being agreed to.

I think the real issue involved in these amendments is, Shall the milk for children in nonprofit high schools and in the other places mentioned in the amendment be paid for by section 32

funds, as the House provided, or shall it be paid for from the general revenue? The House has opted for section 32 funds. The Senate, it will be noted from the amendment on page 19, lines 8 through 12, has opted, for the most part, for general revenues.

It is a fact that the Senate amendment is a little less liberal in terms of money.

The House provided \$120 million, all chargeable to section 32.

It is my feeling, of course, that whatever develops in conference will represent a struggle. I know that the House will insist on its position, and the Senate on its position, and that a compromise will be effected. That is why I was willing to forgo action here, but I want to ask the Senator this question:

I do not know what the intention of the committee was, and I think it would be useful to find out for the administrators. It will be noted that there was no qualification of the word "children" in lines 18 to 20, inclusive. The language refers to "milk for children in nonprofit institutions devoted to the care and training of children."

Have we the right to assume, without its necessarily being locked into the amendment, that the Committee on Appropriations contemplated that the issue of need should be a factor; in other words we were really talking about needy children?

Mr. HOLLAND. The answer is "Yes."

Mr. JAVITS. I thank the Senator.

Mr. HOLLAND. In addition, to answer the earlier question of the Senator, the provision in the Senate bill of \$20 million for needy children in day-care camps, and the like, is to come from section 32 funds. I want the Senator from New York to recognize that the Senator from Florida is not always ungenerous when it comes to the use of section 32 funds.

Mr. JAVITS. I know the Committee on Appropriations had in mind the needy children. I thought it would be useful to have this explanation in the RECORD.

The PRESIDING OFFICER. The question is on agreeing to the two committee amendments en bloc.

The amendments were agreed to en bloc.

Mr. HOLLAND. Mr. President, I understand that completes the discussion of all committee amendments and that the bill is now open to amendments from the floor.

I move that the Senate reconsider the votes by which the last two committee amendments on pages 19, 20, and 21 were agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 60

Mr. GOODELL. Mr. President, I call up my amendment No. 60 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 23, line 14, after the colon, insert the following: "Provided further, That—

"(1) None of the funds appropriated by this Act of any funds available to the Commodity Credit Corporation shall be used to make price support payments or acreage diversion payments which will result in a total of such payments to any producer in excess of \$10,000 for each of the 1970 crops of upland cotton, extra long staple cotton, wheat, and feed grains.

"(2) If the foregoing payment limitation reduces the payments which otherwise would be made to a producer of feed grains (which for the purposes hereof shall be considered as a single commodity) and wheat on any farm, the minimum acreage diversion requirements for such commodity on the farm or farms shall be reduced by the same percentage as the payment to the producer of such commodity on the farm are reduced by the limitation. The term "payment" includes payments-in-kind, wheat marketing certificates and export marketing certificates, but does not include loans or purchases.

"(3) If the foregoing payment limitation reduces by 20 percent or more the payments which otherwise would be made to a producer of either upland or extra long staple cotton on any farm, such producer, without affecting his status as a cooperator and without being subject to marketing quota penalties, may be permitted by the Secretary of Agriculture to exceed the applicable cotton acreage allotment for the farm by not more than 30 percent.

"(4) The Secretary may not permit the owner and operator of any farm, for which the foregoing cotton payment limitation reduces the payment that otherwise would be made, to sell or lease all or any part of the right to all or any part of such allotment, to any other owner or operator of a farm, unless he finds the lease or sale is not for the purpose of evading the foregoing payment limitation.

"(5) Acreage planted to the 1970 crop of cotton in excess of the acreage allotment for the farm established under section 344 of the Agricultural Adjustment Act of 1938, as amended, shall not be taken into account in establishing future state, county, and farm acreage allotments and shall not be considered as part of any acreage allotment.

"(6) Section 103(d) (12) of the Agricultural Act of 1949, as amended shall not be applicable to the 1970 crop of cotton.

"(7) The Secretary of Agriculture shall provide such regulations as he determines necessary to effectuate the purposes of this section and to prevent evasion of the limitations contained in this section."

Mr. HOLLAND. Mr. President, will the Senator from New York yield?

Mr. GOODELL. I yield.

Mr. HOLLAND. I shall, of course, have to raise a point of order against this amendment at the proper time. I do not wish to do so in such a way as to prevent the Senator from explaining his amendment or making any other statement he wishes to make. I simply wish to give notice that since the amendment contains several items of legislation pure and simple, I shall be forced, under the rules of the Committee on Appropriations, to raise a point of order.

Mr. GOODELL. I intend, as I gave notice on July 1, to move to suspend the rule and to allow the amendment to be offered. So if the Senator from Florida wishes to move to suspend the rule at this time, he may do so.

Mr. HOLLAND. I am trying to be courteous and helpful to my distinguished friend by reserving the point of order, and shall make it at a future time. However, I shall be glad to make it at this time, if he wishes me to do so.

Mr. GOODELL. Since the motion is debatable, it does not make any difference. I shall be glad to explain the amendment, and then the Senator can make his point of order.

Mr. HOLLAND. I shall not make the point of order now.

Mr. GOODELL. Mr. President, the amendment would accomplish a simple change in the Agriculture Act. It could be administered quite simply.

This amendment in its entirety is germane to the Agricultural Appropriation Act for 1970 as it provides for a reduction in annual Government expenditures of well over \$200 million, without interfering with the basic purposes of the farm programs financed by these appropriations. It is not long-term legislation. All provisions of this amendment apply only to the price support and acreage diversion payments relative to the 1970 crops.

This amendment limits the price support and acreage diversion payments under each of the 1970 price support and adjustment programs of upland cotton, extra long staple cotton, wheat, and feed grains, to a single producer to \$10,000.

This amendment is to be distinguished from the so-called Conte-Findley amendment which provided for an overall limitation of \$20,000 per producer. This amendment would limit each crop covered, each commodity, to \$10,000 per producer.

The Conte-Findley amendment approved May 27 by the House limited total payments for all price supported crops planted in fiscal year 1970 to \$20,000 on any farm. I have been advised that farm program administrators conclude that a lower limitation on the payments taking each major price support program separately would accomplish similar overall savings and would greatly simplify the administration of such a limitation. For this reason I am offering an amendment which limits the payments under each major crop program.

Department of Agriculture statistics report that 15,097 cotton producers, 5,428 feed grain producers and 4,861 wheat producers received payments in 1968 in excess of \$10,000. These 25,386 producers received payments totaling \$515,196,000. Had a \$10,000 limitation been in effect their payments would have been reduced by well over \$200 million.

According to the Department of Agriculture, a payment limitation at this level would affect only 3.4 percent of the cotton producers, 0.4 percent of the feed grain producers and 0.6 percent of the wheat producers, yet would reduce payments to those producers by over \$200 million.

In his June 4 testimony before the Appropriations Committee, Secretary Hardin estimated that 65 percent of the cotton payments, 49 percent of the wheat payment and 11 percent of the feed grain payments in 1968 were simply income supplements rather than payments for acreage diversion. These figures would change somewhat from year to year. In other words, a large part of these large payments are a net addition to the large producers' substantial incomes from farm products marketed rather than payment for leaving land

out of production to balance supplies with market outlets available.

Paragraphs (2) and (3) of the amendment are germane to the Agriculture Appropriation Act for 1970 in that they provide for changes in 1970 only in the production or acreage diversion requirements of producers who have their payments limited in order to achieve equity for them and provide the same incentives for them to cooperate in the voluntary wheat and feed grain programs as they have had in the absence of payment limitations.

Paragraph (2) provides that any wheat or feed grain producer who has his 1970 Government payment limited by the \$10,000 limitation would have his minimum acreage diversion requirements reduced by the same percentage as his payment is reduced. As an example, a feed grain producer whose payments are reduced by one-third by the \$10,000 limitation would have his feed grain base acreage diversion requirements reduced by one-third.

Paragraph (3), which is a modification of the earlier Schnittker amendment, provides that any cotton producer who has his 1970 cotton program payments reduced by the \$10,000 limitation by 20 percent or more, may, at the discretion of the Secretary, be permitted to plant up to 30 percent additional cotton acreage without being subject to marketing quota penalties. This is to provide a measure of equity of treatment under the program to the large producer whose payment is limited. Under the export acreage section of existing legislation, producers who wish to forgo all price support payments and loans, and plant for export a larger acreage of cotton than their allotment, may do so.

The provisions of paragraph (2) and (3) are germane to H.R. 11612 in that they make it possible to reduce Government fiscal year 1970 expenditures over \$200 million, yet continue equitable provisions for large producers and achieve the goals of the programs financed by these appropriations.

Admittedly, paragraphs (2) and (3) would permit large-scale producers of wheat and feed grains to cooperate in the voluntary programs for these crops although diverting less land and receiving smaller payments than in the absence of a payment limitation. The differential in diverted acreage would be so small, however, that small adjustments in the program could easily offset the smaller acreage diversion on the large farms.

It is my understanding that permitting the large cotton producers affected by payment limitations to increase their acreages of cotton would not create a serious problem in balancing cotton supplies with market outlets. At prevailing world prices most cotton producers would not increase their cotton acreage even though given the opportunity. Although the announced national cotton acreage allotment for 1969 was approximately 16,000,000 acres, fewer than 12,000,000 acres were planted. Except for provisions in the cotton program regulations relative to cotton acreage planting requirements in order to be eligible to collect the Government subsidy of 14.7

cents a pound, even fewer acres of cotton would have been planted in 1969.

In the Mississippi Delta and in the irrigated areas of Texas and of States farther west, cotton returns far more per acre than competing crops. Some would increase their acreage of cotton if their payments were limited and their cotton allotments were increased. Producers in other sections, however, would reduce their acreage of cotton if cotton program regulations were changed somewhat.

Paragraphs (4) and (7) of the proposed amendment are germane to H.R. 11612 in that they authorize the Secretary to provide regulations as he determines necessary to prevent the evasion of the limitation specified in paragraph (1).

Paragraph (5) is self-explanatory. Any excess acreage planted to cotton in 1970 as a result of these provisions shall not be taken into account in establishing future cotton allotments.

Paragraph (6) is a vital provision and it is germane in that it repeals the so-called snap-back provisions in the 1965 act insofar as they would apply to the 1970 crop year. As Secretary Hardin clearly pointed out in his Senate testimony, unless section 103(d)(12) is amended eliminating its application to the 1970 crop of cotton, the savings achieved by the application of paragraph (1)(a)—\$10,000 limitation on payments under specified farm commodity price support programs—could be dissipated under the program provisions authorized by the present section 103(d)(12) of the Agricultural Act of 1949, as amended.

I refer to the major argument raised by those who earlier supported the committee amendment, and those who wanted to raise the \$20,000 limitation on farm payments. That problem would be eliminated by my amendment in that the snap-back provisions in the present law would be repealed and the cotton producers would be taken care of in the flexibility provided for in my amendment.

In summary, this amendment in its entirety is germane to H.R. 11612, Agricultural Appropriation Act for 1970, in that it is limited to the crop year 1970 and restricts the expenditures of funds appropriated for 1970 in an equitable manner, providing potential Government savings in excess of \$200 million. Yet it does not interfere with the attainment of the real goals of the programs financed by these appropriations.

At a time when important rural development, educational, health, housing, and nutritional programs, to mention only a few, are being limited because of our inability to adequately finance them, it does not make sense to make farm program subsidy payments in excess of \$10,000 to some 25,000 large farmers who, by any reasonable standards, already have high incomes and substantial equities in property.

In the absence of this amendment, in 1970 some 2,000 giant farms, many of them corporations, will collect \$150 million in subsidies. Five to 10 large corporations may each receive subsidies of \$1 million or more. One large corporation

received over \$4 million in farm subsidies in 1967 and over \$3 million in 1968.

It is therefore imperative that a limitation affecting the 1970 crop be enacted. We cannot afford to wait any longer to eliminate the inequities which this program represents. This is an effective interim measure while broader revision in the farm program is being worked out.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. GOODELL. I will yield to the Senator in just a moment. First, I wish to make several other points.

The amendment I offer is based on a study made under the direction of former Under Secretary of Agriculture, John A. Schnittker.

It was completed in the Department of Agriculture last November. It did not come to our attention until this spring. In that study I think that Mr. Schnittker effectively answered the arguments which have been raised against a payments limitation here today. He stated:

Payments to producers under existing price support and acreage control programs for feed grains, wheat, cotton, wool, and sugar, could be limited to around \$20,000 per farm for all payments, or to \$10,000 per program without serious adverse effects on production or on the effectiveness of production adjustment programs.

The Schnittker report also points out that the savings would be from \$200 million to nearly \$300 million. It concluded that the various arguments against this proposal and the difficulty of administration are not decisive, and are not good reasons for opposing a payments limitation. I would make it clear that the Department of Agriculture opposes all amendments to the basic legislation at this time. This is said without prejudice to what programs they may present in the future as a part of the general farm program. I am advised that the Department of Agriculture prefers my amendment to a straight \$20,000 limitation. They prefer it in the sense that it would be far simpler to administer. I believe it is a simpler provision to administer because it would save over \$200 million and would do equity to the farm program in the interim period, before we are able to deal with overall farm legislation at a later time.

Now I am happy to yield to my colleague from New York.

Mr. JAVITS. Mr. President, I feel that this is a most constructive way in which to put the matter before us. Let me say that the Senator from Delaware (Mr. WILLIAMS) has been a longstanding champion in this field and I, generally speaking, have supported him. I think that my colleague from New York has rendered a signal service in the refinement which he has introduced in his amendment, especially in the informed backing given by an official who has had long experience with the program. One thing it should do is to awaken us to the realities.

I should like to address a question to my colleague: Does not my colleague agree that the basic philosophy of his amendment is that the whole concept which dictates these payments, unless a limitation is imposed such as he has described, has become obsolescent? The

program is not necessary to encourage production because, as he himself has pointed out, there would be even less production than there is now and more conformable, probably, to the demand if there had not been a program. Whether justified or not, this program has hung on, and hung on, and hung on, because, somehow or other, we still feel in America that rural America represents the backbone of the country and whether it needs it or wants it, it is still subsidized without any regard for the realities which have long since overtaken them, and us, and everyone else.

Mr. GOODELL. I agree with my colleague. I think that rural America has contributed vitally to this country's backbone, but I do not think this kind of program strengthens the farmers of this country as presently constituted. I would point out, in this respect, that my amendment on income supplement goes largely to the very big producers who do not need it and who can conform under flexible provisions that I have provided on the basis of Mr. Schnittker's current study, and still not reap the \$200 million bonanza from the taxpayers each year.

Mr. JAVITS. I thank my colleague.

Mr. DOLE. Mr. President, will the Senator from New York yield?

Mr. GOODELL. I yield.

Mr. DOLE. I cannot speak with any great authority with reference to cotton, but, coming from the greatest wheat-producing State in America, I can touch on that commodity.

With reference to the percent of producers, the six-tenths of 1 percent referred to, how much wheat production is represented in this figure? This, in my opinion, is the key to the entire argument; that is, wheat production, not numbers of wheat farmers. As one who opposed the original mandatory programs when they were advocated by former Secretary of Agriculture Orville Freeman as well as Under Secretary Schnittker, I feel farmers might be better off if programs moved in some other directions. Presently, as is illustrated here today, farmers are at the mercy of Congress.

This is an appropriation bill and your amendment is perhaps subject to a point of order. The point is, however, that we have a program and it is a mistake to say or even suggest that certain farmers receive \$10,000 or \$20,000 because of our gratitude, because he happens to participate in a farm program. The key questions are, How much land does a man own, how much does it produce, and how many acres will be diverted if he goes into the program?

I have no quarrel with your general intent and believe the amendment of the Senator from New York is far superior to the so-called Findley amendment.

We may need new farm legislation but it is late in the day now to impose certain restrictions on farmers who participate in a program. Does the Senator have information as to the amount of wheat produced by the farmers the Senator referred to earlier?

Mr. GOODELL. I would want to be completely accurate to answer the Senator's question. I will get the exact fig-

ures on that. In any event, under the provisions of my amendment, changes in production or in acreage diversion requirements on farms which have their payments limited would go a long way toward achieving equity and we would not have to reduce production any more than the reduction in the payments.

Mr. DOLE. It is the superior part of the amendment because it would not force them completely out of the program. Living in a farm State, I know payment limitation may sound good in the press, but many who will report these proceedings do not know a Jersey cow from the Washington Monument. They know little about the limitation of payments, and less about farm programs but I would guess the large producers would benefit more by being outside the program, and not accepting any payments. They could produce all they wished and still be protected by the price umbrella. The result would be more surpluses and more costly programs to dispose of surpluses.

If the program is bad, let us change the basic program. Let us not change it by trying to impose restrictions on the farmer just because of his size.

Mr. GOODELL. The Senator from Kansas is aware of the reason I enforced suspending the rule. I am following exactly this procedure so as not to put on a straight limitation without changing the program, whether changing it in a minor way, or if it would need adjustment so that the big producers who are substantially affected would be able to operate effectively and would be dealt with on an equitable basis. There is a maximum flexibility here placed at the discretion of the Secretary of Agriculture to deal with this situation. If we do not act now, as the Senator is well aware, we will have no opportunity to put a payment limitation on this year's farm program. This amendment would give ample notice to the producers for the next plantings and we can save over \$200 million in the interim.

Mr. DOLE. While I doubt it would save anything—probably cost more money—the amendment has some merit. I would hope the committee would this year consider changing the basic agriculture act. That would be a good and proper time to offer your amendment but not on an appropriation. Perhaps the American public and the farmers have about reached the end, so far as subsidies are concerned but this can better be determined when considering basic farm legislation.

Mr. WILLIAMS of Delaware. Mr. President, I am glad the Senator from New York has offered the amendment. I shall certainly support it. It is a realistic approach to the problem of controlling these large payments. One argument used on the previous amendment was that it did not repeal at the same time the so-called snapback provisions.

The Senator has included that in his amendment. I certainly hope his amendment can be approved because it is the very least we can do at this time when we are having a major job trying to raise enough money to support the essential programs of our country.

Mr. GOODELL. Mr. President, I thank the Senator from Delaware for his sup-

port. The repeal of the "snapback" provision which was placed in the law of 1965 would really take us back to obsolete price supports, by which the Commodity Credit Corporation would acquire most of the cotton and sell it on the market. That would disrupt the cotton market and would avoid the intent of the Congress.

That was the argument which was made on the \$20,000 limitation. Because of the rules which exist, in order to avoid having a two-thirds vote on suspending the rules, we were unable to repeal the "snapback" language. My amendment would do that. It is a clean, compact amendment, and I think it would be easy to administer.

Mr. President, in answer to the question raised earlier by the Senator from Kansas (Mr. DOLE), less than 10 percent of the wheat produced in this country is produced by the wheat farmers affected by my amendment.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. GOODELL. I yield to the Senator from Colorado.

Mr. ALLOTT. I think we all realize we need some reform in our farm legislation. As long as 5 years ago, I advocated a reassessment of our subsidy program on a definite term basis, 5 or 6 years, included in one act, to see if we could not get our whole farm program back on a more practical basis.

On page 1 of his statement the Senator says:

These figures would change somewhat from year to year. In other words, a large part of these large payments are a net addition to the large producers' substantial incomes from farm products marketed rather than payment for leaving land out of production to balance supplies with market outlets available.

That is confusing to me. It is not in conformity with what I understand the law to be. With all due deference to my friend from Kansas, we raise a few bushels of wheat in Colorado, too.

The Senator certainly is not implying, is he, that those who raise wheat, for example, or feed grains, do not have to take land out of production in order to get these payments?

Mr. GOODELL. No. The point I make—

Mr. ALLOTT. Perhaps the phrasing of the sentence is a little unfortunate, but I think that is the implication of this particular sentence. I think it ought to be made perfectly clear that if a man draws payments of more than \$20,000 a year, for example, he still has to take land out of production in order to get those subsidy payments.

Mr. GOODELL. Yes. Technically, 49 percent of the wheat payments are simply income supplements rather than payments for acreage diversion. Sixty-five percent of the cotton payments are income supplements rather than payments for acreage diversion. Eleven percent of feed grain payments are income supplements rather than payments for acreage diversion.

Mr. ALLOTT. I do not know where the Senator gets his figures.

Mr. GOODELL. These are figures given on June 4 by Secretary Hardin.

Mr. ALLOTT. Unless he reports them

some other way, I do not think they are necessarily true even if the Secretary of Agriculture gives them. If a man takes land out of production, no matter whether he is farming 640 acres or 10,000 acres, he still has to take some land out of production in order to get the subsidy payments. In the case of a wheat allotment, for example, which, again, is not the way I have ever thought it should be—I have always thought if there is any subsidy, it should be on a unit basis such as a bushel, rather than acres; they have taken the unit measurement, reduced it to production, and then converted it to acres—the farmer still has to take acreage out of production. That is the point that should be made, because the inference can be read into the statement that it is not done that way. I hope the Senator understands.

Mr. GOODELL. I understand.

Mr. COOK. Mr. President, will the Senator yield?

Mr. GOODELL. I yield.

Mr. COOK. With regard to the remarks I made earlier on the motion of the Senator from Delaware, my main objection was that we were voting on a limitation without consideration of the repeal of the snapback provision. I merely would like to say I shall be delighted to support the Senator from New York in voting to suspend the rules in regard to the amendment that he has presently before the Senate.

Mr. GOODELL. I thank the Senator.

Mr. HOLLAND. Mr. President, after a few remarks, I shall raise a point of order.

I want to call to the attention of Senators that the proposed amendment amounts to general legislation on an annual appropriation bill in three different fields.

The first is in regard to feed grains and wheat, which are conveniently incorporated in paragraph 2 of the proposed amendment, which reads:

If the foregoing payment limitation reduces the payments which otherwise would be made to a producer of feed grains . . . and wheat on any farm, the minimum acreage diversion requirements for such commodity on the farm or farms shall be reduced by the same percentage as the payment to the producer of such commodity on the farm are reduced by the limitation.

In other words, here is a provision which, if it went into effect as to the so-called voluntary programs—which are not too voluntary, because they have both a carrot and a stick—would immediately encourage or require the return to production of substantial acreage of both wheat and feed grains; and there is no way to avoid that interpretation. This is obviously general legislation.

Paragraph (3) of the amendment reads:

If the foregoing payment limitation reduces by 20 percent or more the payments which otherwise would be made to a producer of either upland or extra long staple cotton on any farm, such producer, without affecting his status as a cooperator and without being subject to marketing quota penalties, may be permitted by the Secretary of Agriculture to exceed the applicable cotton acreage allotment for the farm by not more than 30 percent.

In other words, there would immediately return into production 30 percent more acreage of cotton, if that provision went into effect.

The fourth paragraph of the amendment reads:

The Secretary may not permit—

And Mr. President I certainly do not know by what authority—

the owner and operator of any farm, for which the foregoing cotton payment limitation reduces the payment that otherwise would be made, to sell or lease all or any part of the right to all or any part of such allotment, to any other owner or operator of a farm, unless he finds the lease or sale is not for the purpose of evading the foregoing payment limitation.

In other words, with respect to cotton, it is proposed to give to the Secretary authority to refuse the right to an owner of cotton producing acreage to sell or lease any part of his acreage for the production of cotton.

Paragraph (5) of the amendment reads:

Acreage planted to the 1970 crop of cotton in excess of the acreage allotment for the farm established under section 344 of the Agricultural Adjustment Act of 1938, as amended, shall not be taken into account in establishing future State, county and farm acreage allotments and shall not be considered as part of any acreage allotment.

This paragraph acknowledges that they are going to have to produce more cotton, but it says it shall not be taken into account in giving him his future allotments.

Paragraph (6) is, of course, the one we have been talking about all during the earlier debate. That would repeal the snapback provision of the law, which would require, as I think all Senators now know, going back to the old law. Under that law, the price support for cotton would go from about 21 cents, as of now, to about 31 cents under the 65-percent price-support program, which is the lowest price-support program under the old law.

We all know that the snapback provision not only would prevent any saving, but would require that about \$160 million more be paid out to the producers of cotton.

The seventh section simply gives the Secretary the right to provide any regulation necessary to enforce these new laws in the fields of wheat production, seed grain production, and cotton production.

Mr. President, I do not see how a fuller change of legislation could possibly be suggested in any proposed amendment to this bill. I therefore make the point of order now that this bill proposed to add general legislation on an annual appropriation bill, and is therefore out of order.

The PRESIDING OFFICER (Mr. MATTHIAS in the chair). The Chair sustains the point of order made by the Senator from Florida, on the ground that the amendment would constitute legislation on an appropriation bill.

Mr. HOLLAND. I thank the Chair.

Mr. GOODELL. Mr. President, pursuant to the notice I filed on July 1, I now move to suspend the rules and per-

mit my amendment (No. 60) to be voted upon, and I ask for a rollcall vote.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New York to suspend the rules. On this question, the yeas and nays have been ordered.

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HOLLAND. To sustain this motion would require a two-thirds vote of the Senate, would it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. HOLLAND. I thank the Presiding Officer.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from Washington (Mr. MAGNUSON) and the Senator from Wisconsin (Mr. NELSON) are absent on official business.

I also announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Nevada (Mr. CANNON), the Senator from Alaska (Mr. GRAVEL), the Senator from Louisiana (Mr. LONG), and the Senator from Connecticut (Mr. RIBICOFF), are necessarily absent.

On this vote, the Senator from Connecticut (Mr. RIBICOFF) is paired with the Senator from Alaska (Mr. GRAVEL). If present and voting, the Senator from Connecticut would vote "yea" and the Senator from Alaska would vote "nay."

On this vote, the Senator from Wisconsin (Mr. NELSON) is paired with the Senator from Washington (Mr. MAGNUSON). If present and voting, the Senator from Wisconsin would vote "yea" and the Senator from Washington would vote "nay."

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON) would vote "nay."

Mr. SCOTT. I announce that the Senator from Michigan (Mr. GRIFFIN) is absent on official business.

The Senator from Vermont (Mr. PROUTY) is necessarily absent, and, if present and voting, would vote "nay."

The yeas and nays resulted—yeas 26, nays 65, as follows:

[No. 54 Leg.]

YEAS—26

Bayh	Hartke	Percy
Boggs	Hatfield	Proxmire
Brooke	Javits	Saxbe
Case	Kennedy	Schweiker
Cook	Mathias	Scott
Cooper	Miller	Williams, N.J.
Goodell	Packwood	Williams, Del.
Gore	Pastore	Young, Ohio
Hart	Pell	

NAYS—65

Aiken	Cranston	Fulbright
Allen	Curtis	Goldwater
Allott	Dirksen	Gurney
Baker	Dodd	Hansen
Bellmon	Dole	Harris
Bennett	Dominick	Holland
Bible	Eagleton	Hollings
Burdick	Eastland	Hruska
Byrd, Va.	Ellender	Hughes
Byrd, W. Va.	Ervin	Inouye
Church	Fannin	Jackson
Cotton	Fong	Jordan, N.C.

Jordan, Idaho	Moss	Stennis
Mansfield	Mundt	Stevens
McCarthy	Murphy	Symington
McClellan	Muskie	Talmadge
McGee	Pearson	Thurmond
McGovern	Randolph	Tower
McIntyre	Russell	Tydings
Metcalf	Smith	Yarborough
Mondale	Sparkman	Young, N. Dak.
Montoya	Spong	

NOT VOTING—9

Anderson	Griffin	Nelson
Cannon	Long	Prouty
Gravel	Magnuson	Ribicoff

The PRESIDING OFFICER. Fewer than two-thirds of the Senators present and voting having voted in the affirmative, the motion is rejected.

The bill is open to further amendment.

Mr. HOLLAND. Mr. President, I move that we reconsider the vote by which the motion was defeated.

Mr. HRUSKA. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the third reading of the bill.

Mr. MILLER. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. The Senator from Iowa (Mr. MILLER) proposes an amendment:

On page 20, line 16, after the word "location" add a semicolon and the word "resources".

Mr. MILLER. Mr. President, this is a very simple amendment. It merely adds the word "resources" to the factors to be taken into account in connection with the low-income families.

On page 20 of the bill, line 16, are certain factors that are to be taken into consideration in determining what are low-income families. These factors include location and in the case of a minor, income of parents. My amendment would merely add the word "resources," so that that part of line 16 would read "location, resources, and income."

The reason for the amendment is simply that income by itself may cause the Secretary to make a determination, in the case of someone who may not, in a particular year, have very much income but may have a great amount of personal resources and property, or who may have a large sum of money in the bank or may have a large inventory of grain or other agricultural products. I believe this factor ought to be taken into account.

I have discussed the amendment informally with the Senator from Florida (Mr. HOLLAND), the manager of the bill, and I hope he will agree to take the amendment to conference.

Mr. HOLLAND. Provided my distinguished friend from Nebraska, the ranking minority member of the subcommittee, has no unwillingness to take it to conference, I am willing to take the amendment.

I am perfectly aware that resources sometimes can make the difference between poverty and affluence. Sometimes

it will not. I think we ought to emphasize the fact that it is poverty and an inability to take care of oneself that is the real issue. A person can own a home and still be without income or resources.

With that explanation, I am willing to take the amendment of the Senator from Iowa.

Mr. HRUSKA. I would have no objection to the amendment and am willing to accept it on the basis that the chairman of the subcommittee has outlined.

Mr. MILLER. I thank the Senator from Nebraska.

Mr. HOLLAND. Mr. President, the committee will accept the amendment.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum. I do so for this reason. This is a totally new matter, and I would like to have a few minutes to discuss it and understand its purpose.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, on the passage of the bill, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DIRKSEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I have no desire to raise a capricious question, but with respect to this amendment, it seems on its face to be innocuous. It does puzzle me, and I would like to hear the answer of the author of the amendment and the answers of the people who will manage the measure in conference, the Senator from Florida (Mr. HOLLAND), and the Senator from Nebraska (Mr. HRUSKA), with respect to this matter, as I read it, and interpret its meaning.

If the Senators will address themselves to the language on page 20, lines 6 through 17, inclusive, they will find that this language deals with certain moneys which are authorized, not for individuals, but for an area in which individuals live. In other words, it is money for an area, in which individuals live, which includes "needy children and low income persons whom the Secretary determines to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food."

The Secretary can dip into this \$100 million which is provided for at the top of that page for additional direct distribution or other programs in such area, whether or not it is under the food stamp program or direct food distribution. So he is determining whether that area deserves an additional distribution program. This is strictly a relief of hunger proposition.

Then, in reading further, he is to decide that in that area—I would assume although it does not say so—there are enough needy children and low-income persons who, through no fault of their own, suffer from general and continued hunger resulting from insufficient food, and whether he should put in a program directly, moving over the heads of local and city officials, and so forth. Then, in making such determination, whether he is in that kind of area, he is determining the nature of the area as to certain conditions with respect to needy children and low income people in that area; and in making that determination he must decide questions such as the age, income, location and income of parents, if a minor. That is rather indefinite language but I assume he must look at the income of the parents as well in order to determine if this is a suitable area for him to go into.

The Senator from Iowa would add "resources" to the income of the parents. By that addition I am sure he means furniture, fixtures, money in the bank, and so forth. I would assume that if they have a few iron bedsteads that would not disqualify the area. However, that is not what concerns me. I am worried about this situation. If it is an area determination how can the Secretary arrive at the resources? He can determine age, income, and location figures. Income would include the income of the parents because that is a census figure. However, with respect to a figure for resources, I do not know where that would exist.

By including "resources" will we strip the Secretary from making any determination to put in an additional program because we are giving him a standard he could not possibly meet?

I am not raising this question because I am trying to defeat the Senator's amendment, but I would like to know what the Senator has in mind and how to meet the questions I raised.

Mr. MILLER. Mr. President, responding to the questions raised by the Senator from New York, I think it is fortunate that he is troubled by this language because now that he has raised the matter we can make legislative history on the floor of the Senate.

As I understand the language it would not require any area determination at all. It would require merely a determination by the secretary as to whether there are any of these needy children and low-income persons. If he determines that there are, then he has the authority for this additional direct distribution and for other programs which the bill provides for. I do not see anything here that would require any area determination on his part.

I suggest the way the language reads to me is that if he finds one person who is needy in any area that is not covered by a food distribution program or a food stamp program, then he has the authority to see that that one needy person can be helped. The word "resources" describes the condition of the parents if there is a minor needy child.

All we are trying to do by this amendment is to make clear that we are not going to have abuses of the program which have caused such a great amount

of agitation in some areas. The Senator from North Dakota pointed out during the course of the food stamp hearings that there are some cases where farmers may have no income during the course of a year but have considerable farmland, a large livestock inventory, and crops.

If these people are entitled to some individual assistance it should go to genuine needy families. It is a matter of some concern on the part of the people paying the bill. That is all the amendment is designed to do, Mr. President, and I suggest to my colleague from New York that there is no area of determination involved; although I am happy now to yield to the Senator from Nebraska (Mr. HRUSKA) or to the Senator from Florida (Mr. HOLLAND), who are on the committee and have considered the whole language in the bill and can explain it further.

Mr. HRUSKA. Mr. President, I do not believe that the construction contended for by the Senator from New York applied at all. The word "determinations" applies in the next preceding reference to determination. If, however, there would be any doubt about it, may I suggest to the Senator from Iowa that there be inserted after the word "determinations" in line 15 these few words, which will nail it down:

As to such children and such persons—

So that the sentence will read:

In making such determinations as to such children and such persons, the Secretary shall take into consideration * * *

Then we have no question about it, and instead of legislative history we have legislative language.

Mr. JAVITS. Does the Senator from Iowa accept that?

Mr. MILLER. I think that clarifies what we are talking about beyond question and I hope that if this would satisfy the Senator from New York, I would be more than happy to modify my amendment. I ask the Senator from New York, does that satisfy him?

Mr. JAVITS. When the Senator says, does it satisfy me, I am not satisfied at all with the need for evaluating resources in a welfare situation, but I believe that if we have income anyhow, and we do confine it to the individual and make it a test of whether a single individual shall have the benefit of the program that the Secretary of Agriculture puts into an area, I have no objection.

Therefore, if the Senator will modify his amendment, I have nothing further to say against it.

Mr. MILLER. Mr. President, I ask unanimous consent that my amendment may be modified as suggested by the Senator from Nebraska.

Mr. HOLLAND. Mr. President, I certainly have no objection to the amendment as modified, but I want to repeat what I said a while ago, that I do not believe resources can always be a test, because I know of cases of very poor people who have a home to live in, a roof over their heads, but who, nevertheless, are completely without any viable means of existence.

The PRESIDING OFFICER. The clerk will state the amendment as modified.

The legislative clerk read as follows:

On page 20, line 16, insert after the word "location" the following: "; resources".

On line 15, after "determinations" insert "as to such children and such persons".

Mr. HOLLAND. Mr. President, with that understanding, I am very glad to accept the amendment.

Mr. MILLER. Mr. President, I thank my colleague from Florida. Let me say that I am sure the Department of Agriculture will interpret such a term reasonably. I think it would be most unfortunate, if it did otherwise. I cannot conceive of an interpretation in such a strict manner. Thus, I do not think the Senator from Florida would have to worry about how the Department will administer this one provision.

Mr. HOLLAND. I am not worried about it because we have put it in the legislative history that we are not expecting people who are really poor and without means of sustenance to be deprived simply because they have shelter over their heads.

Mr. BAKER. Mr. President, will the Senator from Iowa yield for a question on the amendment?

Mr. MILLER. I yield.

Mr. BAKER. Mr. President, I have tried to follow the debate as it has related to the amendment proposed by the Senator from Iowa and the modification that was made to it.

May I make sure I understand that by inserting the word "resources" we are really talking about a test of assets for eligibility?

Mr. HOLLAND. That is the understanding of the Senator from Florida plus the additional fact that if the word "resources" consists of mere shelter, or a mere place to be sheltered from the weather, but without really any means of living or any means of acquiring food in the house, and so forth, the possession of that mere resource would not be considered as disqualifying.

Mr. BAKER. We have had a situation in my State of Tennessee that is somewhat similar, I am afraid, to the dilemma we are heading for by including the word "resources." That is the rather sad situation of finding, as an example, an elderly couple who own their own home and its furnishings but that is the only resource and assets they have. They have no income, but they would be deprived of any aid, because of a change in our statute, because they owned a home unencumbered and they refused to sell it. But even if they did, they would be out on the street in 3 or 4 years, or however long it might take to dissipate the funds derived from the sale of their house. I do not think that the legislative history we have made today is sufficient to assure me that mere shelter is all we are referring to.

When we say "resources," resources mean generally the assets of the recipient. I intend to oppose this amendment and do so not because I think it is bad, but rather because I think in the present state of affairs it is so imprecise that we cannot tell what the consequences of it will be.

Mr. MILLER. Perhaps the Senator did not hear the explanation of the amend-

ment, but I pointed out as an example of what we are trying to get at here a situation where there could be a great amount of farmland owned by a parent, or a large amount of livestock inventory on hand, or a large amount of crops in the bins which have not been sold, or a considerable amount of money in the bank. That is all I am suggesting we are trying to get at here; and certainly I think, as the Senator from Florida pointed out, we are not trying to get into the situation that the Senator from Tennessee describes.

We have to leave it up to the administration, to the sound and reasonable discretion on the part of the Department of Agriculture. I cannot imagine any administrator worthy of his name reducing the meaning of this amendment to exclude a person such as the Senator from Tennessee has described. I would certainly think they would read the remarks in the CONGRESSIONAL RECORD during discussion of this amendment and understand, loud and clear that they are not to get into that kind of area.

Mr. BAKER. Mr. President, I said earlier—and, by the way, I have listened to the explanation given by the Senator from Iowa—that I proposed to vote against this amendment because of its imprecision. If we can put some other specific directive into the amendment to eliminate that imprecision, I might see it in a different light, but it does not do that. It simply says "if there are resources," then the Secretary and the administrator at their discretion could deny the benefits of this act. If some perfecting amendment could be drafted to that effect, I would have no objection, but, Mr. President, I, for one, am not willing to leave that imprecision to the executive branch at this time.

Mr. HRUSKA. Mr. President, there is no limitation. The Secretary is enjoined to take into consideration the income of those persons. It does not say whether it is an income of \$50,000, nor does it say whether it is \$500. We are assuming that the administrator of the program is a man of good faith and intelligence, will decide if it is income, and if it is too small to make an impact, then there will be no denial of the benefits. If it is large enough to encompass a situation where we have to spell all these things out, let us enlarge the lines in the bill and put in some regulations in the form of law to be used, and adopt them administratively.

Mr. BAKER. I am not speaking of income. I am speaking of the proposed inclusion of the words "assets and resources." Then, after we have defined that, I think I could withdraw my objection, but as it stands now, there is absolutely no question that there is total discretion on the part of the administrator. We are leaving too much unsaid. It should be changed, or the amendment should be defeated.

Mr. PASTORE. Mr. President, I think we are becoming involved in a web of words that mean nothing. If it is within the discretion of the Secretary of Agriculture to feed people—who are suffering through no fault of their own—who are suffering from continued hunger, then why do we need a proviso at all? Why do

we have to find out what the age is? Why do we have to determine if they are minors? If they are suffering from prolonged hunger, through no fault of their own, and the Secretary of Agriculture feels, in his discretion, that an affluent society should feed them, why do we have to have all these provisos?

Mr. BAKER. Let me say to the Senator from Rhode Island, that is precisely my point. I do not want to see the opportunity to feed hungry people abrogated or prohibited merely because they have some resources.

I think the committee version of this matter is far superior to what it would be with the amendment.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. HOLLAND. Mr. President, I think, as a member of the committee, I ought to share with the Senate some information which I happen to have. The conference considered this last year, at great length, and the words which are presently in the bill were proposed by the distinguished chairman of the House conferees, Mr. WHITTEN, of Mississippi. We found no particular fault with them. We saw no particular use in them, but we agreed with them. They have not imposed any hardship on anybody that I have heard of. I do not believe the addition of the word "resources," with the explanation we have had on the floor, would itself produce any additional difficulty.

So far as the Senator from Florida is concerned, he is not sold upon the proviso at all in any irredeemable way, and if the Senate wishes to strike the entire proviso, we would still have it in conference. But as I stated, that is the origin of this proviso, which was agreed to after considerable argument in conference, extending several hours. All of you who have been in conference on a feeding item for poor people know it is not a simple matter to reach an agreement.

I hope we will not strike the formula, because it was agreed upon and has not proved to be hurtful in any way that I know of. Nobody has complained to me about that formula, and I do not believe anybody would complain of it, even with the word "resources" added, with the explanation that has been made on the floor; but as to that, the Senate will have to be the judge.

I just wanted to share this information with the Senate, because in submitting the budget this year, the Bureau of the Budget included the exact formula agreed upon in conference last year, and which was advanced, as the Senator from Nebraska will recall, by the distinguished Congressman from Mississippi who is the chairman of the House Appropriations Subcommittee for Agriculture.

Mr. BAKER. Mr. President, will the Senator yield so I may make a parliamentary inquiry?

Mr. HOLLAND. I yield.

The PRESIDING OFFICER. Does the Senator from Tennessee insist on his request for the yeas and nays?

Mr. BAKER. I ask for the yeas and nays on the Miller amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. PASTORE. Mr. President—

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Rhode Island will state his parliamentary inquiry.

Mr. PASTORE. Is the pending amendment open to further amendment?

The PRESIDING OFFICER. It is open to amendment in one degree.

Mr. PASTORE. Mr. President, I send to the desk a further amendment.

The PRESIDING OFFICER. The clerk will state the amendment to the amendment.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. STENNIS. Mr. President, will the Senator withhold his request? I have a few words, if the Senator from Montana is present.

Mr. PASTORE. Mr. President, I withhold my request.

The PRESIDING OFFICER. Does the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

The PRESIDING OFFICER. The Senator from Rhode Island makes a unanimous consent request to suspend the suggestion of the absence of a quorum. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, as I understood it, the Senator from Rhode Island wanted a little time.

I thought the Senator from Montana was on the floor. He has been waiting here to make an announcement about the probable calendar for tomorrow. I would not attempt, of course, to speak for him. If other Senators wish the floor, I shall yield to them.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. CRANSTON. Mr. President, I would like to speak in the same vein as the Senator from Rhode Island and the Senator from Tennessee with respect to the Miller amendment to add the word "resources." We have a situation in rural poverty areas in California, which I suspect prevails in other States, although I do not know that, where owners of homes that are ramshackle and do not meet the building codes transfer the ownership of those homes to impoverished people, with no downpayments, get out from under the obligation of either having to tear them down or repair them, and during the time the ownership is transferred, briefly, elsewhere, they escape that liability. This presents the actually impoverished person with property that may be determined to be of some value and affects his eligibility under this provision. During the time he is working on a farm there, or in a community, he loses title and it goes back to the former owner; but that situation has not been taken into account in the suggested amendment and, to me, is an adequate reason to reject the word "resources" as a test of qualification here.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Iowa.

Mr. MILLER. I must reply to the Senator from California and repeat what I said to the Senator from Tennessee just a few moments ago. I cannot imagine any administrator worthy of the name interpreting this language so restrictively. I think we have made plenty of history on the floor of the Senate so that anybody who looks at the CONGRESSIONAL RECORD would not dream of interpreting it so that he would be going contrary to the intention of the author of the amendment or the manager of the bill. I think it ought to be made very clear that that interpretation could not be made in any such situation.

Mr. BAKER. In reply, Mr. President, I cannot visualize it, either, except I saw it happen to one extent or another in my home State of Tennessee. I saw the pitifully sad situation in which elderly people were declared to be ineligible for benefits because they owned homes. A home was their only resource. The welfare people frankly told them, "Sell your home or you will not receive benefits." I am afraid that the word "resources" in that language would give rise to the possibility of misinterpretation. If it is to be in that language, we might have a different situation if the words were "resources in excess of X" or "resources in addition to homestead."

Mr. MILLER. Mr. President, will the Senator yield?

Mr. BAKER. I am willing to yield the floor.

Mr. MILLER. I am not sure who denied the relief under the conditions the Senator from Tennessee has described, but I would interpret it to be a matter for local welfare authorities rather than the Department of Agriculture. I think all of us come from States where in some cases some local welfare officials may have been unduly arbitrary or restrictive. We are talking about the Agriculture Department now, not some local agencies where personalities may be involved.

As the Senator from Nebraska pointed out, the same argument the Senator from Tennessee is making could be applied with reference to the standard of income. Let us be fair—if we are concerned about lack of information on resources, why are we not concerned about standards of income? The same standards would apply, except I think the Department is going to be reasonable and not go off the deep end that the Senator from Tennessee described, especially in view of what has been said on the floor of the Senate.

Mr. PASTORE. Mr. President, do I correctly understand that whether or not this amendment carries, I can then move for my amendment to delete the whole proviso clause?

The PRESIDING OFFICER. The Senator is correct.

Mr. PASTORE. I shall do that in due time.

Mr. JAVITS. Mr. President, may I have the attention of the Senator from Rhode Island?

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. I hope that the Senator will not let it go at that now, because we are very much in the argument, there is good attendance, and I hope very much that he will elucidate his point. I think it extremely valid and well taken.

I had not intended to say anything further about the matter, but with a new amendment coming up, I think it is vital that we understand exactly what this paragraph means.

As I understood it, it would allow the Secretary of Agriculture to put a program into an area. When I objected to the amendment of the Senator from Iowa, it seemed to me that, if the qualification for putting this program into an area was to be an appraisal by the Secretary of resources of certain children or their parents, there was no way to obtain such information, and therefore no means by which the Secretary could make the determination.

As a practical matter, all the proviso really does is to provide an opportunity, either to the Secretary of Agriculture or to municipal officials or other local authorities, if the Secretary chooses to delegate that authority to them, perhaps to deny the benefits of a direct distribution program which he puts into effect, based upon a determination as to a general situation in that area, to certain individuals because they do not qualify under this proviso.

Otherwise, it has no meaning at all.

I believe it is completely impracticable for the Secretary of Agriculture to deal with this matter from Washington on an individual child or individual family basis. I do not think the Miller amendment, as clarified, applies in personam, or is particularly meaningful or adds anything special by way of a solution.

But I heartily agree with the Senator from Rhode Island that this evaluation really has no place where you give the Secretary of Agriculture the power to move into an area, which is the only power he could practically carry out. Therefore, the right way to pursue this issue and present it to the Senate is by striking the whole proviso.

Mr. STENNIS. Mr. President, I yield the floor.

Mr. PASTORE. Mr. President, may I have the attention of the Senator from New York? Is he suggesting now that he disagrees with the removal of the proviso clause?

Mr. JAVITS. No, I am suggesting that I agree with it.

Mr. PASTORE. The point I make is very simple. We all agree here that the Secretary of Agriculture, in this critical time, is being given certain discretionary power to step in, in certain situations, where they do not have these programs already organized, to make sure that no American goes hungry through no fault of his own. That is how I understand the matter.

I do not think any determination as to age is needed. What difference does it make whether you are 2 years old or 80 years old, if you are suffering continued hunger through no fault of your own, and cannot help yourself? What is wrong with this affluent society feeding such an individual?

That is all this is intended to do. So it does not make any difference. Naturally, if you are well off and have resources and money in the bank, then, of course, if you are hungry it is through a fault of your own.

This says specifically "through no fault of your own." That is the criterion, and that is the only criterion.

All I am saying is that it is nonsense here to attempt to establish a formula which to me means nothing at all, and naturally subjects the Secretary to a determination that he may never be able to make.

When a person is hungry through no fault of his own, whether he is young, old, middle-aged, or whatever the case may be, that person ought to be fed, and the Secretary has the discretion to do it. As practically every Senator here has said, we hope we have a Secretary who knows what he is doing. The whole issue is about that simple.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I understand that the Senator from Iowa is willing to accept my amendment as a substitute for his amendment. Is that correct?

Mr. MILLER. Mr. President, I could not more thoroughly agree with what the Senator from Rhode Island has said; and if he wishes to amend my amendments so that it will take care of the point he is making, I shall be more than happy to accept that.

Mr. PASTORE. All the Senator from Iowa has to do is withdraw his amendment, and I will put mine in.

The PRESIDING OFFICER. The Chair advises the Senator from Iowa that he would have to ask unanimous consent to withdraw his amendment, and then, at that time, the Senator from Rhode Island could press for his.

Mr. MILLER. Mr. President, I ask unanimous consent to withdraw my amendment, that the order for the yeas and nays be rescinded, and that the Senate proceed to the consideration of the amendment of the Senator from Rhode Island.

The PRESIDING OFFICER. Without objection, the order for the yeas and nays is rescinded and the amendment of the Senator from Iowa is withdrawn.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Will the Senator from Rhode Island send his amendment to the desk?

Mr. PASTORE. I did not take it back, Mr. President. I left it at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. The Senator from Rhode Island (Mr. PASTORE) proposes an amendment as follows:

On page 20 line 14 strike the proviso down to and including the word "employability" in line 17.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment was agreed to.

Mr. JAVITS. I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLAND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HART. Mr. President, in behalf of myself and the Senator from Wisconsin (Mr. NELSON) I send to the desk an amendment, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The Legislative clerk proceeded to read the amendment.

Mr. HART. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART's amendment is as follows:

On page 5, line 10, change the semicolon to a colon and add the following: "provided further, That no appropriation contained in this Act shall be used for the purchase or application of chemical pesticides, except for small quantities for testing purposes, within or substantially affecting States in circumstances in which the purchase or application of such pesticides would be prohibited by State law or regulation, for any citizen or instrumentality of State or local government;"

Mr. HART. Mr. President, first of all, I apologize to the Senate, and most particularly to the Senator from Florida (Mr. HOLLAND), for raising this proposed amendment so late. I hope that I can, nonetheless, persuade the Senate that it is sound and prudent to add it to the bill.

There is contained in this bill an authorization for the Department of Agriculture to purchase certain chemical pesticides to be used in pest control. Very late in the day, we are awakening to the fact that there are some very damaging side effects, particularly in the cumulative results, from the use of certain of these hard pesticides.

At least one State, Michigan, and I am advised a second State, Arizona, have sought by regulation to prohibit the use of certain pesticides. My amendment would make clear that no moneys authorized to be appropriated hereunder shall be used for the application of pesticides in any State which by regulation or law would prevent the use of such pesticide within its borders by any citizen or instrumentality of that State.

My first reaction, when the matter was brought to my attention, was that surely the Federal Government is not going to use a pesticide in Michigan or anywhere else if State regulation or law should prevent its use there.

On further study, however, I find that while the probability is great that no Secretary would use such a pesticide, the possibility of his doing so nonetheless remains.

There are two general types of pest control programs which the Department engages in within various States. The first is one where there is very little likelihood that any of these moneys would be used in derogation of a State's wishes. These are the cooperative programs to control specific types of pests within the State. In these cases, the determination of which pesticides should be used is normally arrived at by consensus.

It may well be, however, that as more and more States come to regard the use of pesticides as being a threat, even in these cooperative programs a true consensus will be difficult to achieve.

The greater hazard, however, attaches to the second type of program conducted by the Agriculture Department. These are the programs in which protection of Federal lands, particularly national forests, is involved. Again, I am told that the Department normally consults with the State authorities before launching a pest control program on Federal lands located within a particular State. However, the State has no veto over the type of chemical which the Department ultimately decides to use.

Except where the Federal Government has prohibited certain uses of a pesticide, I think the State should be the ultimate arbiter of the type of chemical compounds which are actually applied within its borders for the purposes of pest control, for the State authorities are most attuned to their specific environmental problems. This is the purpose of the amendment.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled, "Obituary for DDT—in Michigan," written by Hal Higdon, and published in the New York Times Magazine section of July 6, 1969, and an article entitled, "AF to Ban Pesticide Dieldrin," published in the Washington Post of July 4, 1969.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times Magazine,
July 6, 1969]

OBITUARY FOR DDT—IN MICHIGAN (By Hal Higdon)

Died. DDT, age 95, a persistent pesticide and onetime humanitarian. Considered to be one of World War II's greatest heroes, DDT saw its reputation fade after it was charged with murder by author Rachel Carson. Death came on June 27 in Michigan after a lingering illness. Survived by dieldrin, aldrin, endrin, chlordane, heptachlor, lindane and toxaphene. Please omit flowers.

LANSING, MICH.—In early spring, 1968, the coho salmon began their gradual migration up the eastern shore of Lake Michigan, feeding as they went, growing as they fed. Along with them came the army of sport fishermen, casting from piers and trolling from boats, pulling the fighting silver fish out of the water by the thousands. Yet thousands still survived until September, when the coho reached the mouths of the Manistee and Platte Rivers and Bear Creek in the north and started upstream to spawn.

Awaiting them was Marvin Blackport of Grand Rapids, Mich. Earlier in the year his Blackport Packing Company had outbid 25 others for the right to harvest salmon from the spawning streams. As the coho moved upstream state fishery workers trapped them in weirs. They stripped some of the fish of their eggs for use in nearby hatcheries; then as fast as the fish were caught they were trucked to Grand Rapids for dressing, canning or storage in a freezer. The operation continued well into December, when two million pounds of fish (for which the state would be paid 15.6 cents a pound) had been pulled from the rivers.

The first hint of trouble came in February, when the Michigan Department of Agriculture examined some cans of salmon and discovered a relatively high level of dieldrin, like DDT a member of the chlorinated hydro-

carbon family of chemicals. (It is more toxic than DDT, but because it is much less frequently used poses a less serious threat.) Then the U.S. Food and Drug Administration examined several interstate shipments of coho salmon, found high levels of DDT and seized 28,000 pounds of fish. Eventually the state agriculture department embargoed 500,000 pounds of salmon that had been canned or was awaiting processing. Marvin Blackport, who had contracted for the fish with one government department only to see them confiscated by another, had cause to feel perturbed. If he was upset, he wouldn't admit it: "I'm not planning any lawsuits. There's DDT in everything we eat. Nobody's ever died of it. We're going to wait this thing out. In fact, I'm going fishing tomorrow and I plan to eat anything I catch."

While Blackport was probably correct in saying that nobody had died from an excess of DDT in food, the pesticide itself was in the throes of a fatal illness, partly because of the controversy arising from its discovery in the coho salmon. At no time since the publication in 1962 of the late Rachel Carson's best-selling book "Silent Spring" had DDT, the miracle chemical of World War II, faced such a concentrated attack. Sweden declared a two-year moratorium on its use (including a complete ban on home use of DDT and all uses of aldrin, lindane and dieldrin, its close relatives). After another DDT relative, endosulfan, was blamed for the deaths of millions of fish in the Rhine River late last month, French conservationists demanded that pollution by chlorinated hydrocarbons be ended. The pesticide boards of Maine and Massachusetts have banned DDT as a weapon to control Dutch elm disease. Arizona has halted agricultural use of the chemical for a year to prevent contamination of dairy products. In Wisconsin, DDT is on trial before the state Department of Natural Resources, charged with being a water pollutant. The California Agriculture Director has issued an order that will ultimately prohibit the use of DDT in households and home gardens and restrict its use on farms. At least a half dozen states have anti-DDT legislation pending; Senator Philip A. Hart of Michigan has begun subcommittee hearings in Washington on DDT (he plans further sessions in his home state this week); Senator Gaylord Nelson of Wisconsin has introduced a bill that would restrict the pesticide, and the National Audubon Society has announced a campaign to ban its use in the United States.

Parke Brinkley, president of the National Agricultural Chemical Association, says the DDT market in the United States has dropped by a third. In 1968 the five American manufacturers of DDT produced more than 125 million pounds of the pesticide, valued at more than \$20-million,¹ but 90 million pounds went to overseas markets.

To protect this profitable business, the five American DDT manufacturer (Montrose Chemical Corporation, Olin Mathieson Chemical Corporation, Allied Chemical Corporation, Diamond Shamrock Corporation and Lebanon Chemical Corporation) have organized a task force to defend their products against what they call "emotional" attacks. The DDT task force provided a number of witnesses at the hearings in Wisconsin. They testified that DDT does not harm humans and warned that its complete elimination would leave the state vulnerable to outbreaks of such diseases as encephalitis. In Michigan, meanwhile, the state Department of Agriculture moved to cancel licenses for the sale of the pesticide. Those interested in

¹ DDT now sells for 17 cents a pound, compared with \$1.19 a pound shortly after its discovery. A spokesman for the National Agricultural Chemical Association says the profit margin is relatively small because of competition and declining markets.

preserving DDT were given 60 days to present their case; the deadline was June 27.

DDT (dichloro-diphenyl-trichloroethane) was originally synthesized in a laboratory by Othmar Zeidler, a German chemistry student working on a doctoral thesis, in 1874. It was a lesson in pure chemistry, he had no idea what this new compound would do. The chemical is one of a number of so-called chlorinated hydrocarbons, many of which have been used as insecticides. The insecticidal properties of DDT didn't become apparent until 1939. A Swiss chemist, Paul Mueller, while searching for a plant-contact insecticide—one that need not be ingested by the insect—discovered that DDT when it contacted an insect's nerve endings caused muscle spasms and, eventually, death. For his work, Mueller received the Nobel Prize in 1948.

In 1942, the U.S. Army began testing the insecticide, and when the tests proved successful DDT played a significant part in World War II, particularly in malaria-control programs in the South Pacific. Largely because of DDT, it was the first war in history in which fewer soldiers died of typhus than of bullet wounds.

DDT was used to reduce the incidence of 27 diseases, saving perhaps 10 million lives and eliminating an estimated 200 million illnesses in the human population. DDT was cheap. It was persistent; the chlorinated hydrocarbons are very stable compounds with half-lives as long as 15 years. This persistence contributed to DDT's low cost as well as its efficiency: a single spraying frequently produced lasting effects. It was the same characteristic, however, that was to cause most of DDT's problems.

After its military baptism the pesticide became available for civilian use, and Michigan, with its large number of fruit farms, was one of the first states to utilize it. One early use was to control flies on Mackinac Island, at the juncture of Lakes Michigan and Huron.

The first hint that DDT might prove a mixed blessing came around 1949. Traces of the chemical began to appear in milk. DDT sprayed on crop-producing lands drifted onto neighboring alfalfa fields where cows grazed and the chemical was also used in dairy barns. Nobody then—or now—could prove that DDT harms humans, but reckless and excessive spraying seemed unwise. As early as May 16, 1950, the Michigan State University Agricultural Experiment Station recommended in a newsletter: "DDT should be used in moderation on crops, only in amounts sufficient to get the job done." Since most Michigan farmers plant their crops, spray for insects and probably even shave in tune with the Agriculture Experiment Station, this recommendation reduced DDT usage. "There was concern over DDT contamination 20 years ago," says Dr. Gordon Guyer, director of M.S.U.'s pesticide-research center. "We haven't changed our philosophy at all. Research on this problem has been going on constantly. We have attempted to phase out DDT wherever substitute materials become available."

But the blame for polluting the environment, and particularly the Great Lakes, cannot be hung entirely on farmers. DDT is virtually insoluble in water; it will move downstream only if it is clinging to something else—most often a soil particle. And farmers are careful about their soil; they ordinarily take pains to guard against erosion. Many cities in Michigan—and even conservationists—are partly responsible for pollution. DDT seemed the perfect means for eliminating pesky mosquitoes. Conservationists sprayed it in the state parks (many of which, in Michigan, are near water), homeowners sprayed it in their back yards and municipalities used it along streets, where it often found its way into sewers, then rivers and eventually the Great Lakes. Slowly, the DDT residues built up in the Lakes, and Gordon Guyer admits, "We are all involved."

In the nineteen-fifties Dutch elm disease threatened some of the lofty trees that lined the streets of many Midwest towns. In 1954, Michigan State University, which has a large number of elms on its East Lansing campus, began DDT spraying to kill elm bark beetles, which spread the disease. The beetles began dying, but so did large numbers of robins. Within a few years robins virtually disappeared from the campus. Soon zoologists discovered why. Leaves covered with DDT fell to the ground to become food matter for earthworms; the worms in turn were eaten by the robins. When the robins had eaten a sufficient number of earthworms their DDT levels rose to a point where they died of nerve poisoning.

Michigan State's experience is a demonstration of the phenomenon known as biological magnification. Although the DDT concentration in one area may be microscopically low, it can multiply through the food chain. Thus in the Green Bay area of Lake Michigan, the bottom muds contained 0.014 parts per million of DDT. Tiny amphipods living in the mud absorbed the chemical, concentrating it to 0.41 parts per million. Fish fed on the amphipods and, because of the volume of food they ate, soon had concentrations of 3 to 6 parts per million. Herring gulls ate large numbers of fish and their DDT level reached 99 parts per million. This won't kill the gulls (except under stress or starvation conditions), but it will impair their ability to reproduce, thus diminishing their numbers.

Several bird species along the Great Lakes, including the American eagle, are threatened with extinction because of DDT, which causes the liver to produce enzymes that attack the hormones governing calcium production. When the eagle's system produces less calcium, the egg shells become thinner and thinner, causing more frequent breakage and fewer baby eagles. (Sergei Postupalsky of the University of Wisconsin has reported having found an eagle egg without any shell on the shores of Lake Superior in northern Michigan. The embryo was enclosed only by a membrane, which had broken, allowing the contents to ooze through the bottom of the nest.) The osprey, peregrine falcon and mallard duck have problems similar to those of the eagle. And the Mink Ranchers' Association believes that DDT may be affecting mink reproduction.

Birds suffer the most because they cannot excrete liquids as rapidly as mammals can. When the DDT is not excreted it builds up in the birds' bodies. Humans, on the other hand, seem to eliminate DDT once it reaches a level of 10 or 12 parts per million. (Most Americans apparently have that level in their bodies.) Experiments in feeding prisoners massive DDT doses have uncovered no measurable dangers, and workers in DDT plants survive in apparent normal health. No human has died from DDT—yet. But there are hints that DDT may be more injurious to human health than current evidence indicates. Researchers at the University of Miami have discovered that people with several diseases, including leukemia, have high residues of pesticides. The National Cancer Institute has found a greater tendency for tumors in DDT-fed experimental mice. No reputable scientist will yet condemn DDT as poisonous to humans, but the pesticide has been in use less than three decades. Measurable effects could appear in two or three generations.

The publication of "Silent Spring" in 1962 brought to public attention the dangers of environmental poisoning by DDT. "You could see people standing around in the garden stores reading labels," says Paul Flink of the Michigan Department of Natural Resources. "They were aware there was a problem. That's the first step to cleaning things up: get people aware." According to Gordon Guyer of M.S.U., "Some of the things Rachel Carson said lacked perspective, but hers was an important book. It made people look at

the issues." Robert Reinert of the Michigan Bureau of Commercial Fisheries adds: "Scientific progress and public pressure seem to go hand in hand."

Scientific progress appeared in the form of the gas chromatograph, which enabled scientists to measure minute levels of DDT in the environment. Some of the problems caused by DDT in the Great Lakes, for example, come from concentrations as low as two parts per trillion. One as two part million is the contents of a single one-ounce shot glass in that of a small railroad tank car; one part per trillion is the contents of a single one-ounce shot glass in that of a million tank cars. Yet such concentrations, through the process of biological magnification, have far-reaching effects.

The mounting evidence of DDT's hazards led to an increased threat of regulation. In addition, many insects began to develop resistance to DDT. This prodded the chemical companies to find substitute pesticides. Many of the substitutes are organophosphates and carbamates, which also attack insect nervous systems but have shorter lives than the chlorinated hydrocarbons—often a matter of days or weeks instead of years. Because the substitutes are less persistent, they must be used more frequently than DDT and are therefore more expensive.

As other insecticides became available, the Michigan State University Agricultural Experiment Station gradually eliminated DDT from its recommendations for insect control. It suggested the other chlorinated hydrocarbons only in cases in which no adequate substitute was available. Between 1962 and 1967, DDT was dropped from half the recommendations for control of vegetable insects. Where it was still recommended, prescribed dosages were reduced. In 1967, M.S.U. suggested that methoxychlor, a chlorinated hydrocarbon but a much less persistent chemical, be substituted for DDT in Dutch elm disease control programs. At about the same time, the Environmental Defense Fund, a New York group, took 56 Michigan cities into Federal court in an effort to halt their use of DDT in fighting Dutch elm disease. Detroit rebelled at first but eventually capitulated. The following year, M.S.U. removed DDT from its mosquito-spray recommendations and the Michigan Department of Agriculture moved to guarantee that the recommendations would be followed.

Under Michigan law, the agriculture department can, upon the recommendation of the M.S.U. Agricultural Experiment Station, cancel the license under which a pesticide is sold in the state. The department can't prohibit the use of a pesticide, but the cancellation of its license has the same effect. When the department moved against DDT in April, those involved in its sale appealed to the state agriculture commission. The commission has agreed to only three minor exceptions to the ban: it said DDT powder could be used against bats or mice in buildings, against body lice or in "emergency" conditions (an encephalitis epidemic, for instance). The sale of DDT for all other uses was forbidden, and the order became final on June 27. Michigan conservationists expected, however, that the chemical companies would ultimately test the prohibition in the courts.

As DDT was taking it toll in Michigan and the other Great Lakes states, the area was suffering another—and totally unrelated—ecological disaster. Since the glacial era, sea lampreys—sucker-mouthed eels that feed on fish—had lived in Lake Ontario. Until the opening of Welland Canal in 1833, the lamprey and another ocean resident, the herring-like alewife, had been unable to bypass Niagara Falls and enter the upper Great Lakes. The lampreys didn't reach Lakes Huron and Michigan until the nineteen-thirties, but within a decade they and overfishing had virtually eliminated the lakes' large commercial and sport fish. In the process, the lampreys killed off the predators

that would have controlled the alewives, which multiplied rapidly. When the alewives died (from the stresses of overpopulation, not from DDT, as some have suggested), their bodies washed up by the millions on beaches. The problem reached its peak in 1967.

Meanwhile, aquatic biologists at the University of Michigan discovered that they could control the lamprey by pouring the pesticide TFM (which is not related to DDT and does not, if properly used, harm other fish) into its spawning streams. With the lamprey threat eliminated, biologists sought to restock Lake Michigan with sport fish: coho salmon, Chinook salmon and lake trout. The quickly maturing coho salmon, released as fingerlings in the spring of 1966, found a ready source of food in the alewives, all part of the plan. By the following spring the coho had grown to a size of two to four pounds. When the ice broke in 1967 they were congregated, along with the alewives, in the warmer southern waters of Lake Michigan. Through the summer they moved gradually north toward their spawning streams. They grew rapidly, and that fall fishermen pulled in 15-pound and 20-pound fish. The word spread fast. By 1968 most of the fishermen in the Midwest had been transformed into coho maniacs.

The result was a bonanza for the Great Lakes states, particularly Michigan. Fishermen descended by the thousands on Michigan lake villages, buying bait, tackle and gasoline, renting boats and motel rooms. One survey by the Michigan Department of Natural Resources indicated that expenses for the average angler amounted to \$19.50 a day. The department estimated that by 1972 the sport would bring close to \$100-million into the state, largely because of the coho salmon. The coho would also control the alewife population, which would no longer wash up on the beaches.

But that optimistic prediction failed to take into account the factor of biological magnification. The coho fed on the alewives, which fed on the microorganisms that lived in the mud that came from the house that DDT built. In the spring coho salmon contain relatively low concentrations of DDT—around 1 or 2 parts per million—but the fat cohos of the fall may have DDT levels as high as 20 parts per million. (The Food and Drug Administration had not then set up maximum allowable levels for DDT in salmon, but the established level for the fat of beef and pork was 7 parts per million.) And while large coho don't die of DDT poisoning, in early 1968 11 per cent of the salmon fry in Michigan hatcheries (or 700,000 young fish) *did* die at a time when the mortality was expected to be low. The "most probable cause": DDT. Of the three fish newly introduced to Lake Michigan, the coho had spawned first. Marine biologists theorized that the lake trout and Chinook salmon, which have longer lives, would eventually absorb sufficient quantities of DDT to prevent a natural reproduction cycle.

A few dead robins or eagle eggs without shells are one thing, but \$100-million worth of tourist trade is another, and that's what seemed to be at stake when state and Federal officials seized the fish that Marvin Blackport harvested last September under contract with the state.

Seven months later, on April 20, when the Governors of Minnesota, Wisconsin, Illinois, Indiana and Michigan met in a motel near O'Hare International Airport outside Chicago, visions of cranberries danced in their heads—the cranberries that, having been sprayed with a cancer-inducing chemical, caused the bottom to drop out of the cranberry market for Thanksgiving, 1959. Each governor drank a glass of water reportedly drawn from Lake Michigan to prove he had no fear of high DDT levels. What the Governors did fear was a diminishing of the coho mania. They requested that the Food and Drug Administration not establish maximum

levels for DDT in coho salmon until it had received "all available scientific information." They also asked the Secretary of Health, Education and Welfare, Robert H. Finch, to meet with them at the Republican Governors' Conference in Lexington, Ky., on May 1. Finch chose to ignore their request.

When the Governors met, they had no one to complain to but poor old Spiro Agnew. Harsh words were said to have filled the air at a closed meeting with the Vice President, Governor Harold LeVander of Minnesota pounded the table; Governor Richard Ogilvie of Illinois said he'd been made to look like an ass before his constituents. An aide to another Governor grumbled: "This is one of the first breakdowns between the states and the Nixon Administration." All the Governors could get was a commitment from Under Secretary John Veneman of the Department of Health, Education and Welfare that they would be consulted before permanent tolerance levels were set.

On May 23 the F.D.A. established 5 parts per million as a temporary "action" level; until a permanent level can be established, in about six months, no fish containing more than 5 parts per million of DDT can be transported across state lines. Should the temporary level become fixed, and should DDT levels in the lake remain constant, it could eliminate about 80 per cent of the commercial catch in Lake Michigan.

In February, three months before the Governors besieged the Vice President, the staff at M.S.U.'s Agricultural Experiment Station agreed that DDT should be eliminated from agricultural recommendations. Gordon Guyer expected to complete the phasing out of DDT gradually over a period of six months. As the station's publications were reprinted, DDT would simply disappear from the recommendations; and as Michigan farmers followed the recommendations, DDT would disappear. It had already disappeared as a Dutch elm disease control and mosquito spray. In time the compound might even decompose and disappear from the lake. Purity would reign. But when Guyer notified the Michigan Department of Agriculture of this plan, its director, Dale Ball, assumed the initiative; his department announced the cancellation of all DDT licenses. Except for the three minor exclusions agreed upon later, DDT is dead in Michigan.

According to Dr. C. T. Black of the Michigan Department of Natural Resources: "If we knew as much about DDT in 1945 as we know now, it probably would not have been registered by the U.S. Department of Agriculture. But it was the miracle chemical of the war. It was in use and people were not dropping dead. We had to learn slowly." Dan Reed of the Michigan Farm Bureau says farmers will not mourn the passing of DDT: "It was an important pesticide for a long time, but we now have other means of control." And Governor William G. Milliken says: "Certainly pesticides have been a boon, to civilization as well as a potential threat. Our problem is to understand that threat and to deal with it in a responsible way. There can be a danger of overreaction, but up to this time I think we have tended to underestimate the threat rather than overestimate it."

The concern of the five American manufacturers of DDT is not merely over a loss of business in one state. DDT sales in Michigan have been declining severely for the last few years. The question is whether the elimination of DDT in Michigan will have a domino effect. Wisconsin seems on the verge of declaring the pesticide a pollutant. The other Great Lakes states will almost have to follow their lead. This could ultimately mean a national ban on DDT for most uses, and other countries may have second thoughts about purchasing it. Moreover, if DDT falls, can the other chlorinated hydrocarbons be far behind?

The other members of the group (among

them are lindane, toxaphene, dieldrin, aldrin, chlordane, heptachlor and endrin) vary in toxicity and persistence. Dieldrin and endrin, for instance, are markedly more toxic than DDT and probably as persistent, while heptachlor and chlordane are both less toxic and less persistent. Even the worst offenders, however, present a lesser threat than DDT because they are specialized and more expensive compounds and are therefore much less widely used.

One example of the specialized pesticide is endosulfan, the chlorinated hydrocarbon detected in the Rhine after millions of dead fish floated to the surface. Unlike DDT, endosulfan breaks down quickly when it is applied properly. It is used by growers of fruit, vegetables and other specialty crops to combat aphids and peach tree borers, among other things. Dr. Black of the Michigan Department of Natural Resources calls it "a Dr. Jekyll and Mr. Hyde chemical." On the one hand, he says it is possible in some cases to market the produce a few days after endosulfan has been applied. But workers are advised to use protective clothing for 24 hours in a field where the pesticide has been used. "It's hazardous if it get out of hand," Black says, "and it's terrifically toxic to fish."

Outside the chlorinated hydrocarbon family, there are highly toxic pesticides—some of them more hazardous than DDT's relatives to the person using them—but, in Dr. Black's words, "they don't have this devilish persistence. They do their job and get out." Offensive pesticides are still used, Black says, where adequate substitutes have not been found. Termites and such soil insects as white grubs can at this stage be controlled only by persistent chemicals, according to the experts, and dieldrin and chlordane are the answers.

"I can see DDT out of the picture within a decade," says Black, "and we should be able to get most of the others reduced sharply by then. We're preparing to move on dieldrin shortly—we're gathering evidence to present to the responsible officials."

The critical factor, says another expert, is the availability of substitute compounds: "I'd rather die of DDT poisoning at 70 than of malaria or encephalitis—or even starvation, which is possible if you ban the effective pesticides—at 35. We can't ban chlordane until we find another way to control the white grub." Like everything else, Black explains, it becomes a question of economics: "The cost of developing and bringing out a substitute is now up in the millions of dollars. Only massive public pressure will drive the chemical industry to produce a new pesticide, and unfortunately industry is not yet convinced that it will come to that. Businessmen may feel that they can't afford to develop costly substitutes, but we feel that society can't afford the incalculable costs of the havoc produced in our environment by persistent pesticides."

Gordon Guyer believes that we will be using twice as many pesticides in 1975 as we are now, although generally they will be different groups. "We're not banning DDT," he emphasizes. "We're just putting it on the shelf. There may very well be situations down the road where we need it for specific pest-control problems. I feel we should avoid any legislation which would tend to categorically prohibit DDT."

Despite such reservations, if Rachel Carson is looking down from an unpolluted heaven, she is probably smiling.

[From the Washington (D.C.) Post, July 4, 1969]

AIR FORCE TO BAN PESTICIDE DIELDRIN

The Air Force has agreed to suspend all further use of the pesticide dieldrin to control insects at major Air Force bases, pending further study, Senate Interior Committee Chairman Henry M. Jackson (D-Wash.) announced yesterday.

Jackson, who said dieldrin is "five to fifty times as toxic as DDT," asserted that an earlier recommendation by a regional office of the Department of Agriculture called for dieldrin applications at Kelly Air Force Base, Texas, in highly dangerous amounts.

"Previous applications of this chemical in substantially the same dosages recommended for use at Kelly AFB have been shown to have devastating effects upon fish, wildlife, poultry and livestock," said Jackson.

In another suspension action, the Agriculture has cautioned that insect strips like Shell's No-Pest Strip Insecticide should not be hung where infants or ill or aged people are confined.

Shell has been notified to include on all future strips a cautionary statement to this effect, and to stop distributing any already-manufactured strips that do not carry such a statement.

Mr. HOLLAND. Mr. President, I have consulted with the Senator from Nebraska and we are willing to take the amendment to conference except that we want an understanding of the words in the fourth line of the Senator's amendment, "or substantially affected."

If we understand the Senator wants this to apply to the use of these prohibited pesticides within States, that is all right. However, what does he mean by the words, "or substantially affected?"

Mr. HART. Mr. President, that language is intended to respond to the problem—and let me localize it to Michigan—where if there were a national forest immediately adjoining the State of Michigan in Ohio, and there was no prohibition in Ohio against DDT, for example, and the application of DDT that close to our border would substantially affect the fish and wildlife in Michigan, then Michigan would be able to object to its use and persuade the Department to seek an alternative.

Mr. HOLLAND. Mr. President, I doubt if we could go that far in conference. However, I am willing to take the whole amendment to conference, having voiced my doubts about the words, "or substantially affected."

Mr. HART. Mr. President, I thank the Senator very much.

Mr. HRUSKA. Mr. President, I know the amendment comes at a late hour, but I do not object to its being accepted with the understanding that we might refine it further if necessary.

Mr. HART. I am very grateful.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The amendment was agreed to.

Mr. MUNDT. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 34, line 15, strike out "\$2,000,000" and insert "\$3,000,000."

Mr. MUNDT. Mr. President, I have discussed the amendment with the distinguished chairman of the subcommittee and the ranking Republican member, both of whom have agreed to its merit and I think they are willing to accept it.

In the 1970 budget the administration recommended an appropriation of \$3 million to enlarge the important new phase of the rural housing program, the so-called mutual self-help housing program for low income rural people.

The House reduced that amount to \$1,250,000. In our committee it was increased to \$2 million. My amendment brings the amount to the \$3 million recommended by the budget.

I point out that this is a new program and that about 3,000 additional low-income families can be helped if we provide the \$3 million.

In this housing, a lot of "sweat equity" is involved because farmers for low income land people not only take the assistance that is made available to them, but they also put into the housing a lot of their own effort, collectively and individually. I think that in terms of pride and dignity it is a very small investment in responsible citizenship. I heartily recommend that we increase the amount to the \$3 million recommended by the budget.

Mr. HOLLAND. Mr. President, the Senator from Nebraska and I are willing to accept the amendment and take it to conference.

I recently had a communication from the county agent of Collier County, Fla., in which Immokalee is located. The county agent tells me that the principal help in the way of housing for the migrant workers there in the last year has been from this particular program. He gave me the number of new homes created through this self-help machinery. Perhaps it has real meaning in places that are not big enough to have housing authorities.

I am glad to take the amendment to conference. I understand that my distinguished friend, the Senator from Nebraska, joins me.

Mr. HRUSKA. Mr. President, I am glad to join the distinguished Senator from Florida in accepting the amendment. I believe the matter should be given further consideration.

Mr. MUNDT. I thank the Senators.

The PRESIDING OFFICER. The Chair advises the Senator that the amendment would not be in order at this time.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the former action of the Senate in agreeing to the committee amendment be reconsidered so that the Mundt amendment may be considered at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is now on agreeing to the amendment of the Senator from South Dakota to the committee amendment.

The amendment was agreed to.

The committee amendment, as amended, was agreed to.

TEXAS LEGISLATURE ASKS \$220 MILLION FOR AGRICULTURAL CONSERVATION PROGRAM

Mr. YARBOROUGH. Mr. President, the agricultural conservation program is one of the most worthwhile programs I know, and I have supported it fully from the time I first came to the Senate in 1957. It reaches over a million farms each year and results in the application of the greatest amount of conservation measures to the land at the lowest cost per acre of any similar program.

I pointed out on July 2 in my statement before the Senate on the agricultural appropriations bill for fiscal year 1970 that the \$185 million recommended by the Senate Committee on Appropria-

tions was too low and that at least \$220 million should have been recommended. However, I also pointed out that the committee's recommendation was \$185 million over the administration's request, but lower than the House allowance.

I have a duly authenticated copy of Senate Concurrent Resolution 116 from the State of Texas which was passed and properly certified by both the Senate and the House of the Texas Legislature. This resolution shows the value of this program to Texas and the Nation. It also questions the wisdom of the attempted elimination of this program by the present administration and asks that the agricultural conservation program be reinstated at its former allocation level of \$220 million for fiscal year 1970. I agree with this resolution from the Texas Legislature, and think the \$220 million should have been allowed for the agricultural conservation program.

Mr. President, I ask unanimous consent that Senate Concurrent Resolution 116 as passed and certified by the Texas Legislature be printed in its entirety along with the names of its signers at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SENATE CONCURRENT RESOLUTION 116

Whereas, President Nixon's 1970 fiscal year Budget proposes complete elimination of funds for the National Agricultural Conservation Program; and

Whereas, The Texas Legislature, through their appropriation and law making processes have always recognized the absolute necessity for state and national conservation programs; and

Whereas, The National ACP is the only conservation program available to all farms and ranches of the nation with its cost-share provisions designed to get widespread conservation participation from a maximum number of farmers and ranchers; and

Whereas, Spiraling population growth emphasizes the urgency for our land uses to be in accordance with the very best conservation measures; and

Whereas, This program more specifically affects approximately 300,000 Texas Farms and Ranches, consisting of approximately 150,000,000 acres of land; now, therefore, be it

Resolved, By the Senate of the 61st Legislature, the House of Representatives concurring, that the Agricultural Conservation Program of the United States be reinstated at its former allocation level of \$220,000,000 for the year 1970, that funds for this program be updated annually to meet the increasing costs of carrying out conservation measures, and that emphasis be placed on the need for these funds to reach as many farmers as possible in order to assure that the conservation message is fully reflected to the entire nation; and be it further

Resolved, That copies of this Resolution be sent to the President of the United States, the Secretary of Agriculture, Members of the House and Senate Agricultural Committees and to the entire Texas Congressional Delegation.

BEN BARNES,
Lieutenant Governor.

_____,
Speaker of the House.

I hereby certify that S.C.R. No. 116 was adopted by the Senate on May 30, 1969.

CHARLES SCHNABEL,
Secretary of the Senate.

I hereby certify that S.C.R. No. 116 was adopted by the House on May 31, 1969.

DOROTHY HALLMAN,
Chief Clerk of the House.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 11612) was read the third time.

THE MILITARY AUTHORIZATION BILL

Mr. STENNIS. Mr. President, I shall not delay the Senate. However, for the information of Senators present, the majority leader, the Senator from Montana, as I understand, if the pending bill is completed today, will be ready to make an announcement that the military authorization bill, with one slight exception, will be the next order of business. I would rather he make the announcement.

I shall have a few remarks to make about the debate on that bill. I hope that the Senators will stay after the rollicall.

MESSAGES FROM THE PRESIDENT— APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that on July 1, 1969, the President had approved and signed the joint resolution (S.J. Res. 123) to extend the time for the making of a final report by the Commission To Study Mortgage Interest Rates.

REPORT ON THE IMPLEMENTATION OF THE AUTOMOTIVE PRODUCTS TRADE ACT OF 1965—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Finance:

To the Congress of the United States:

I hereby transmit the third annual report on the implementation of the Automotive Products Trade Act of 1965. The report contains information with respect to the United States-Canada Automotive Products Agreement, including automotive trade, production, prices and employment in 1968. Also included is other information relating to activities under the Act.

RICHARD NIXON.

THE WHITE HOUSE, July 7, 1969.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1970

The Senate resumed the consideration of the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from Washington (Mr. MAGNUSON), and the Senator from Wisconsin (Mr. NELSON) are absent on official business.

I also announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Nevada (Mr. CANNON), the Senator from Hawaii (Mr. INOUE), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Alaska (Mr. GRAVEL) are necessarily absent.

On this vote, the Senator from Alaska (Mr. GRAVEL) is paired with the Senator from Connecticut (Mr. RIBICOFF). If present and voting, the Senator from Alaska would vote "yea," and the Senator from Connecticut would vote "nay."

I further announce that, if present and voting, the Senator from Hawaii (Mr. INOUE), the Senator from Washington (Mr. MAGNUSON), the Senator from Wisconsin (Mr. NELSON), and the Senator from Nevada (Mr. CANNON) would each vote "yea."

Mr. SCOTT. I announce that the Senator from Michigan (Mr. GRIFFIN) is absent on official business.

The Senator from Vermont (Mr. PROUTY) is necessarily absent, and if present and voting, would vote "yea."

The Senator from Delaware (Mr. WILLIAMS) is detained on official business.

The result was announced—yeas 88, nays 2, as follows:

[No. 55 Leg.]

YEAS—88

Alken	Fulbright	Moss
Allen	Goldwater	Mundt
Allott	Gore	Murphy
Baker	Gurney	Muskie
Bayh	Hansen	Packwood
Bellmon	Harris	Pastore
Bennett	Hart	Pearson
Bible	Hatke	Pell
Boggs	Hatfield	Percy
Brooke	Holland	Proxmire
Burdick	Hollings	Randolph
Byrd, Va.	Hruska	Russell
Byrd, W. Va.	Hughes	Schweiker
Case	Jackson	Scott
Church	Javits	Smith
Cook	Jordan, N.C.	Sparkman
Cooper	Jordan, Idaho	Spong
Cotton	Kennedy	Stennis
Cranston	Long	Stevens
Curtis	Mansfield	Symington
Dirksen	Mathias	Talmadge
Dodd	McCarthy	Thurmond
Dole	McClellan	Tower
Dominick	McGee	Tydings
Eagleton	McGovern	Williams, N.J.
Eastland	McIntyre	Yarborough
Ellender	Metcalf	Young, N. Dak.
Ervin	Miller	Young, Ohio
Fannin	Mondale	
Fong	Montoya	

NAYS—2

Goodell Saxbe
NOT VOTING—10

Anderson	Inoue	Ribicoff
Cannon	Magnuson	Williams, Del.
Gravel	Nelson	
Griffin	Prouty	

So the bill (H.R. 11612) was passed.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HOLLAND, Mr. RUSSELL, Mr. STENNIS, Mr. ELLENDER, Mr. HRUSKA, Mr. YOUNG of North Dakota, and Mr. MUNDT conferees on the part of the Senate.

Mr. MANSFIELD. Mr. President, it has been a great pleasure to witness again the handling of a measure by the distinguished senior Senator from Florida (Mr. HOLLAND). As the chairman of the Agriculture Subcommittee of the Committee on Appropriations, he has exhibited once more his superior managerial skill and ability.

This funding measure is designed to maintain our present farm program. May I say that as extensive and broad as that program is, every one of its many facets and features are thoroughly known and well understood by Senator HOLLAND. His outstanding advocacy, his great legislative skill and ability, his strong persuasive capacities were exhibited on this measure as they have been on all proposals that gain his endorsement. The Senate is grateful once again to Senator HOLLAND. The Senate's overwhelming approval of this funding bill adds another outstanding achievement to his already abundant record of public service.

Of course the swift and efficient disposition of this measure was aided immensely by the senior Senator from Nebraska (Mr. HRUSKA). His strong advocacy and his splendid cooperation were essential to this great success.

Others, too, should be singled out for their participation. The Senator from Delaware (Mr. WILLIAMS) is to be commended especially for his contribution in offering and urging his amendment. That may also be said for the distinguished Senators from New York (Mr. GOODELL and Mr. JAVITS), the Senator from Iowa (Mr. MILLER), and the Senator from Michigan (Mr. HART). These and other Senators joined to assure expeditious and efficient action today on this measure. The Senate is deeply grateful.

AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1970 FOR MILITARY PROCUREMENT, RESEARCH AND DEVELOPMENT, AND FOR THE CONSTRUCTION OF MISSILE TEST FACILITIES AT KWAJALEIN MISSILE RANGE, AND RESERVE COMPONENT STRENGTH

Mr. MANSFIELD. Mr. President, I move that the Senate turn to the consideration of Calendar No. 281, S. 2546, and that the bill be laid before the Senate and be made the pending business.

The PRESIDING OFFICER (Mr. ALLEN in the chair). The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 2546) to authorize appropri-

91ST CONGRESS
1ST SESSION

H. R. 11612

IN THE HOUSE OF REPRESENTATIVES

JULY 7, 1969

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture and related agencies for the fiscal
6 year ending June 30, 1970, and for other purposes; namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—GENERAL ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, marketing, nutrition and
7 consumer use, to control and eradicate pests and plant and
8 animal diseases, and to perform related inspection, quaran-
9 tine and regulatory work: *Provided*, That appropriations
10 hereunder shall be available for field employment pursuant
11 to the second sentence of section 706 (a) of the Organic Act
12 of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall
13 be available for employment under 5 U.S.C 3109: *Provided*
14 *further*, That appropriations hereunder shall be available for
15 the operation and maintenance of aircraft and the purchase
16 of not to exceed two for replacement only: *Provided*
17 *further*, That appropriations hereunder shall be available
18 pursuant to 7 U.S.C. 2250, for the construction, alteration,
19 and repair of buildings and improvements, but unless other-
20 wise provided, the cost of constructing any one building
21 (except headhouses connecting greenhouses) shall not ex-
22 ceed \$25,000, except for six buildings to be constructed
23 or improved at a cost not to exceed \$55,000 each, and the
24 cost of altering any one building during the fiscal year shall
25 not exceed \$7,500 or 7.5 per centum of the cost of the build-

ing, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for facilities at Beltsville, Maryland (1): *Provided, further, That the limitations on construction contained in this Act shall not apply to a total of \$350,000 for construction of a new animal disease and parasite research facility, at Beltsville, Maryland.*

Research: For research and demonstrations on the production and utilization of agricultural products; agricultural marketing and distribution, not otherwise provided for; home economics or nutrition and consumer use of agricultural and associated products; and related research and services; and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100; (2)~~\$130,182,000~~ \$134,452,000, and in addition not to exceed \$15,000,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 shall be transferred to and merged with this appropriation, of which (3)~~\$740,000~~ \$2,306,000 shall remain available until expended for plans, construction, and improvement of facilities without regard to limitations contained herein: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a) : *Provided further*, That none of the funds appropriated in this Act shall be used to

1 formulate a budget estimate for fiscal 1971 of more than
 2 \$15,000,000 for research to be financed by transfer from
 3 funds available under section 32 of the Act of August 24,
 4 1935, and pursuant to Public Law 88-250;

5 Plant and animal disease and pest control: For opera-
 6 tions and measures, not otherwise provided for, to control
 7 and eradicate pests and plant and animal diseases and for
 8 carrying out assigned inspection, quarantine, and regulatory
 9 activities, as authorized by law, including expenses pursuant
 10 to the Act of February 28, 1947, as amended (21 U.S.C.
 11 114b-c), ~~(4)\$89,493,000~~ \$92,126,500, of which \$1,500,-
 12 000 shall be apportioned to use pursuant to section 3679 of
 13 the Revised Statutes, as amended, for the control of outbreaks
 14 of insects, plant diseases and animal diseases to the extent
 15 necessary to meet emergency conditions: *Provided*, That no
 16 funds shall be used to formulate or administer a brucellosis
 17 eradication program for the current fiscal year that does not
 18 require minimum matching by any State of at least 40 per
 19 centum: *Provided further*, That not to exceed ~~(5)\$1,000,000~~
 20 \$2,000,000 shall remain available until expended for con-
 21 struction of facilities without regard to limitations contained
 22 herein: *Provided further*, That, in addition, in emergencies
 23 which threaten the livestock or poultry industries of the
 24 country, the Secretary may transfer from other appropria-
 25 tions or funds available to the agencies or corporations of

1 the Department such sums as he may deem necessary, to
2 be available only in such emergencies for the arrest and
3 eradication of foot-and-mouth disease, rinderpest, contagious
4 pleuropneumonia, or other contagious or infectious diseases
5 of animals, or European fowl pest and similar diseases in
6 poultry, and for expenses in accordance with the Act of
7 February 28, 1947, as amended, and any unexpended bal-
8 ances of funds transferred under this head in the next pre-
9 ceding fiscal year shall be merged with such transferred
10 amounts (6) : *Provided further, That no appropriation*
11 *contained in this Act shall be used for the purchase or*
12 *application of chemical pesticides, except for small quantities*
13 *for testing purposes, within or substantially affecting States*
14 *in circumstances in which the purchase or application of*
15 *such pesticides would be prohibited by States law or regu-*
16 *lation, for any citizen or instrumentality of State or local*
17 *government;*

18 Special fund: To provide for additional labor, sub-
19 professional and junior scientific help to be employed under
20 contracts and cooperative agreements to strengthen the work
21 at research installations in the field, not more than \$2,000,-
22 000 of the amount appropriated under this head for the
23 previous fiscal year may be used by the Administrator of

1 the Agricultural Research Service in departmental research
 2 programs in the current fiscal year, the amount so used to be
 3 transferred to and merged with the appropriation otherwise
 4 available under "Salaries and expenses, Research".

5 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
 6 PROGRAM)

7 For payments, in foreign currencies owed to or owned
 8 by the United States for market development research
 9 authorized by section 104 (b) (1) and for agricultural and
 10 forestry research and other functions related thereto author-
 11 ized by section 104 (b) (3) of the Agricultural Trade
 12 Development and Assistance Act of 1954, as amended (7
 13 U.S.C. 1704 (b) (1), (3)), ~~(7)~~ ~~\$4,500,000~~, \$5,500,000 to
 14 remain available until expended: *Provided*, That this appro-
 15 priation shall be available, in addition to other appropriations
 16 for these purposes, for payments in the foregoing currencies:
 17 *Provided further*, That funds appropriated herein shall be
 18 used for payments in such foreign currencies as the Depart-
 19 ment determines are needed and can be used most effectively
 20 to carry out the purposes of this paragraph: *Provided further*,
 21 That not to exceed \$25,000 of this appropriation shall
 22 be available for payments in foreign currencies for expenses
 23 of employment pursuant to the second sentence of section
 24 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), as
 25 amended by 5 U.S.C. 3109.

COOPERATIVE STATE RESEARCH SERVICE

PAYMENTS AND EXPENSES

For payments to agricultural experiment stations, for grants for cooperative forestry and other research, for facilities, and for other expenses, including ~~(8)\$53,854,000~~ \$55,-189,000 to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture; \$3,785,000 for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582a-7), ~~(9)\$2,000,000~~ \$2,150,000 in addition to funds otherwise available for contracts and grants for scientific research under the Act of August 4, 1965 (7 U.S.C. 450i), of which \$1,000,000 shall be for the special cotton research program and \$400,000 for soybean research ~~(10); \$1,000,-000~~ for grants for facilities under the Act approved July 22, 1963 ~~(7 U.S.C. 390-390k)~~; \$160,000 for penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended; and ~~(11)\$376,000~~ \$426,-000 for necessary expenses of the Cooperative State Research Service, including administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic

1 Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000
 2 for employment under 5 U.S.C. 3109; in all ~~(12)\$61,175,-~~
 3 ~~000~~ \$61,710,000.

4 EXTENSION SERVICE

5 COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

6 Payments to States and Puerto Rico: For payments
 7 for cooperative agricultural extension work under the Smith-
 8 Lever Act, as amended by the Act of June 26, 1953, the
 9 Act of August 11, 1955, and the Act of October 5, 1962
 10 (7 U.S.C. 341-349), to be distributed under sections 3 (b)
 11 and 3 (c) of the Act, ~~(13)\$82,006,000~~ \$83,621,000; pay-
 12 ments for the nutrition education program for low-income
 13 areas under section 3 (d) of the Act, \$28,560,000; payments
 14 and contracts for such work under section 204 (b) -205 of the
 15 Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624),
 16 \$1,450,000; and payments for extension work under section
 17 109 of the District of Columbia Public Education Act, as
 18 amended by the Act of June 20, 1968 (7 U.S.C. 329),
 19 ~~(14)\$375,000~~ \$500,000; in all, ~~(15)\$112,391,000~~ \$114,-
 20 131,000: *Provided*, That funds hereby appropriated pursuant
 21 to section 3 (c) of the Act of June 26, 1953, shall not be paid
 22 to any State or Puerto Rico prior to availability of an equal
 23 sum from non-Federal sources for expenditure during the
 24 current fiscal year.

25 Retirement and employees' compensation costs for

1 extension agents: For cost of employer's share of Federal
 2 retirement and for reimbursement for benefits paid from
 3 the Employees' Compensation Fund for cooperative ex-
 4 tension employees, ~~(16)\$10,000,000~~ \$10,240,000.

5 Penalty mail: For costs of penalty mail for cooperative
 6 extension agents and State extension directors, \$3,400,000.

7 Federal Extension Service: For administration of the
 8 Smith-Lever Act, as amended by the Act of June 26, 1953,
 9 the Act of August 11, 1955, and the Act of October 5,
 10 1962 (7 U.S.C. 341-349), and extension aspects of the
 11 Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627),
 12 and of the District of Columbia Public Education Act, as
 13 amended by the Act of June 20, 1968 (7 U.S.C. 329),
 14 and to coordinate and provide program leadership for the
 15 extension work of the Department and the several States
 16 and insular possessions, ~~(17)\$3,338,000~~ \$3,838,000.

17 FARMER COOPERATIVE SERVICE

18 SALARIES AND EXPENSES

19 For necessary expenses to carry out the Act of July 2,
 20 1926 (7 U.S.C. 451-457), and for conducting research
 21 relating to the economic and marketing aspects of farmer co-
 22 operatives, as authorized by the Agricultural Marketing
 23 Act of 1946 (7 U.S.C. 1621-1627), ~~(18)\$1,500,000~~
 24 \$1,635,000.

1 SOIL CONSERVATION SERVICE

2 CONSERVATION OPERATIONS

3 For necessary expenses for carrying out the provisions
4 of the Act of April 27, 1935 (16 U.S.C. 590a-590f),
5 including preparation of conservation plans and establish-
6 ment of measures to conserve soil and water (including
7 farm irrigation and land drainage and such special measures
8 as may be necessary to prevent floods and the siltation of
9 reservoirs); operation of conservation nurseries; classifica-
10 tion and mapping of soil; dissemination of information;
11 purchase and erection or alteration of permanent buildings;
12 and operation and maintenance of aircraft, \$118,786,000:
13 *Provided*, That the cost of any permanent building pur-
14 chased, erected, or as improved, exclusive of the cost of
15 constructing a water supply or sanitary system and con-
16 necting the same to any such building and with the
17 exception of buildings acquired in conjunction with land
18 being purchased for other purposes, shall not exceed \$2,500;
19 except for one building to be constructed at a cost not to
20 exceed \$25,000 and eight buildings to be constructed or
21 improved at a cost not to exceed \$15,000 per building
22 and except that alterations or improvements to other exist-
23 ing permanent buildings costing \$2,500 or more may be
24 made in any fiscal year in an amount not to exceed \$500
25 per building: *Provided further*, That no part of this appro-

1 priation shall be available for the construction of any such
2 building on land not owned by the Government: *Provided*
3 *further*, That no part of this appropriation may be expended
4 for soil and water conservation operations under the Act
5 of April 27, 1935 (16 U.S.C. 590a-590f) in demonstration
6 projects: *Provided further*, That this appropriation shall be
7 available for field employment pursuant to the second sen-
8 tence of section 706 (a) of the Organic Act of 1944 (7
9 U.S.C. 2225), and not to exceed \$5,000 shall be available
10 for employment under 5 U.S.C. 3109: *Provided further*,
11 That qualified local engineers may be temporarily employed
12 at per diem rates to perform the technical planning work
13 of the service.

14 RIVER BASIN SURVEYS AND INVESTIGATIONS

15 For necessary expenses to conduct research, investiga-
16 tions and surveys of the watersheds of rivers and other water-
17 ways, in accordance with section 6 of the Watershed Pro-
18 tection and Flood Prevention Act, approved August 4, 1954,
19 as amended (16 U.S.C. 1006), to remain available until
20 expended; \$8,187,000, with which shall be merged the un-
21 expended balances of funds heretofore appropriated to the
22 Department for river basin survey purposes: *Provided*, That
23 this appropriation shall be available for field employment
24 pursuant to the second sentence of section 706 (a) of the
25 Organic Act of 1944 (7 U.S.C. 2225), and not to exceed

1 \$60,000 shall be available for employment under 5 U.S.C.
2 3109.

3 WATERSHED PLANNING

4 For necessary expenses for small watershed investiga-
5 tions and planning, in accordance with the Watershed Pro-
6 tection and Flood Prevention Act, as amended (16 U.S.C.
7 1001-1008), to remain available until expended, (19)
8 ~~\$6,209,000~~ \$5,000,000, with which shall be merged the
9 unexpended balances of funds heretofore appropriated under
10 this head: *Provided*, That this appropriation shall be avail-
11 able for field employment pursuant to the second sentence of
12 section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
13 and not to exceed \$50,000 shall be available for employment
14 under 5 U.S.C. 3109.

15 WATERSHED WORKS OF IMPROVEMENT

16 For necessary expenses to carry out preventive meas-
17 ures, including, but not limited to research, engineering oper-
18 ations, methods of cultivation, the growing of vegetation, and
19 changes in use of land, in accordance with the Watershed
20 Protection and Flood Prevention Act, approved August 4,
21 1954, as amended (16 U.S.C. 1001-1005, 1007-1008), and
22 the provisions of the Act of April 27, 1935 (16 U.S.C.
23 590 a-f), to remain available until expended; (20)~~\$57,873,-~~
24 ~~000~~ \$63,873,000, with which shall be merged the unex-
25 pended balances of funds heretofore appropriated or trans-

ferred to the Department for watershed protection purposes:
Provided, That this appropriation shall be available for field
 employment pursuant to the second sentence of section 706
 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to
 exceed \$100,000 shall be available for employment under 5
 U.S.C. 3109: *Provided further*, That ~~(21)\$3,000,000~~
~~\$5,000,000~~ of the funds in the direct loan account of the
 Farmers Home Administration shall be available until
 expended for loans.

FLOOD PREVENTION

For necessary expenses, in accordance with the Flood
 Control Act, approved June 22, 1936 (33 U.S.C. 701-709,
 16 U.S.C. 1006a), as amended and supplemented, and in
 accordance with the provisions of laws relating to the
 activities of the Department, to perform works of improve-
 ment, including funds for field employment pursuant to the
 second sentence of section 706 (a) of the Organic Act of
 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for
 employment under 5 U.S.C. 3109, to remain available until
 expended; \$20,223,000, with which shall be merged the
 unexpended balances of funds heretofore appropriated or
 transferred to the Department for flood prevention pur-
 poses: *Provided*, That \$400,000 of funds in the direct loan
 account of the Farmers Home Administration shall be avail-
 able until expended for loans.

1 GREAT PLAINS CONSERVATION PROGRAM

2 For necessary expenses to carry into effect a program
3 of conservation in the Great Plains area, pursuant to sec-
4 tion 16(b) of the Soil Conservation and Domestic Allot-
5 ment Act, as added by the Act of August 7, 1956 (16
6 U.S.C. 590p), \$15,000,000, to remain available until
7 expended.

8 RESOURCE CONSERVATION AND DEVELOPMENT

9 For necessary expenses in planning and carrying out
10 projects for resource conservation and development, and
11 for sound land use, pursuant to the provisions of section
12 32(e) of title III of the Bankhead-Jones Farm Tenant Act,
13 as amended (7 U.S.C. 1011; 76 Stat. 607), and the pro-
14 visions of the Act of April 27, 1935 (16 U.S.C. 590a-f),
15 ~~(22)\$7,452,000~~ \$10,252,000, to remain available until ex-
16 pended: *Provided*, That the unobligated balance of funds
17 heretofore appropriated under the head "Rural renewal" shall
18 be transferred to and merged with this appropriation: *Pro-*
19 *vided further*, That ~~(23)\$1,500,000~~ \$3,300,000 of the funds
20 available in the direct loan account of the Farmers Home
21 Administration shall be available for loans under subtitle A
22 of the Consolidated Farmers Home Administration Act of
23 1961, as amended, to remain available until expended: *Pro-*
24 *vided further*, That this appropriation shall be available
25 for field employment pursuant to the second sentence of

1 section 706 (a) of the Organic Act of 1944 (7 U.S.C.
2 2225), and not to exceed \$50,000 shall be available for
3 employment under 5 U.S.C. 3109.

4 ECONOMIC RESEARCH SERVICE

5 SALARIES AND EXPENSES

6 For necessary expenses of the Economic Research Serv-
7 ice in conducting economic research and service relating to
8 agricultural production, marketing, and distribution, as au-
9 thorized by the Agricultural Marketing Act of 1946 (7
10 U.S.C. 1621-1627), and other laws, including economics of
11 marketing; analyses relating to farm prices, income and
12 population, and demand for farm products, use of resources in
13 agriculture, adjustments, costs and returns in farming, and
14 farm finance; and for analyses of supply and demand for farm
15 products in foreign countries and their effect on prospects for
16 United States exports, progress in economic development
17 and its relation to sales of farm products, assembly and anal-
18 ysis of agricultural trade statistics and analysis of interna-
19 tional financial and monetary programs and policies as they
20 affect the competitive position of United States farm prod-
21 ucts; ~~(24)\$13,450,000~~ \$13,562,000: *Provided*, That not
22 less than \$350,000 of the funds contained in this appropria-
23 tion shall be available to continue to gather statistics and con-
24 duct a special study on the price spread between the farmer
25 and consumer: *Provided further*, That this appropriation

1 shall be available for employment pursuant to the second sen-
 2 tence of section 706 (a) of the Organic Act of 1944 (7
 3 U.S.C. 2225), and not to exceed \$75,000 shall be available
 4 for employment under 5 U.S.C. 3109: *Provided further,*
 5 That not less than \$145,000 of the funds contained in this
 6 appropriation shall be available for analysis of statistics and
 7 related facts on foreign production and full and complete in-
 8 formation on methods used by other countries to move farm
 9 commodities in world trade on a competitive basis.

10 STATISTICAL REPORTING SERVICE

11 SALARIES AND EXPENSES

12 For necessary expenses of the Statistical Reporting
 13 Service in conducting statistical reporting and service work,
 14 including crop and livestock estimates, statistical coordination
 15 and improvements, and marketing surveys, as authorized by
 16 the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-
 17 1627) and other laws, (25) ~~\$44,950,000~~ \$16,375,600: *Pro-*
 18 *vided*, That no part of the funds herein appropriated shall be
 19 available for any expense incident to publishing estimates of
 20 apple production for other than the commercial crop: *Pro-*
 21 *vided further*, That this appropriation shall be available for
 22 employment pursuant to the second sentence of section 706
 23 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not
 24 to exceed \$40,000 shall be available for employment under
 25 5 U.S.C. 3109.

1 CONSUMER AND MARKETING SERVICE

2 CONSUMER PROTECTIVE, MARKETING, AND REGULATORY
3 PROGRAMS

4 For expenses necessary to carry on services related to
5 consumer protection, agricultural marketing and distribution,
6 and regulatory programs, other than Packers and Stock-
7 yards Act, as authorized by law, and for administration and
8 coordination of payments to States; including field employ-
9 ment pursuant to section 706 (a) of the Organic Act of
10 1944 (7 U.S.C. 2225), and not to exceed \$25,000 for
11 employment under 5 U.S.C. 3109, in carrying out section
12 201 (a) to 201 (d), inclusive, of title II of the Agricultural
13 Adjustment Act of 1938 (7 U.S.C. 1291) and section 203
14 (j) of the Agricultural Marketing Act of 1946;
15 ~~(26)\$130,867,000~~ \$134,695,500: *Provided*, That this
16 appropriation shall be available pursuant to law (7 U.S.C.
17 2250) for the alteration and repair of buildings and improve-
18 ments, but, unless otherwise provided, the cost of altering
19 any one building during the fiscal year shall not exceed
20 \$7,500 or 7.5 per centum of the cost of the building, which-
21 ever is greater.

22 PAYMENTS TO STATES AND POSSESSIONS

23 For payments to departments of agriculture, bureaus
24 and departments of markets, and similar agencies for market-

ing activities under section 204 (b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623 (b)), \$1,600,000.

CHILD NUTRITION PROGRAMS

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1761) and the applicable provisions other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785), ~~(27)\$247,441,000~~ \$252,441,000, of which \$129,941,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) : *Provided*, That of the foregoing total amount there shall be available \$44,800,000 for special assistance to needy schools, \$10,000,000 for the school breakfast program, \$10,000,000 for the nonfood assistance program, \$750,000 for State administrative expenses, and ~~(28)\$10,000,000~~ \$15,000,000 for special food service programs for children to remain available until September 30 of the next succeeding fiscal year: *Provided further*, That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: *Provided further*, That an additional \$64,325,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods

1 pursuant to section 6 of the National School Lunch Act, as
2 amended.

3 FOOD STAMP PROGRAM

4 For necessary expenses of the food stamp program
5 pursuant to the Food Stamp Act of 1964, as amended,
6 ~~(29)\$340,000,000.~~ \$750,000,000.

7 ~~(30)~~SPECIAL MILK PROGRAM

8 *For necessary expenses to carry out the provisions of*
9 *the Special Milk Program, as authorized by section 3 of*
10 *the Child Nutrition Act of 1966 (42 U.S.C. 1772)*
11 *\$84,000,000.*

12 REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES

13 (SECTION 32)

14 Funds available under section 32 of the Act of August
15 24, 1935 (7 U.S.C. 612c) shall be used only for commod-
16 ity program expenses as authorized therein, and other related
17 operating expenses, except for (1) transfers to the Depart-
18 ment of the Interior as authorized by the Fish and Wildlife
19 Act of August 8, 1956; (2) transfers otherwise provided
20 in this Act; (3) not more than \$2,900,000 for formulation
21 and administration of marketing agreements and orders pur-
22 suant to the Agricultural Marketing Agreement Act of 1937,
23 as amended, and the Agricultural Act of 1961; and (4) in

1 addition to other amounts provided in this Act, not more
 2 than \$100,000,000 (including not to exceed \$2,000,000 for
 3 State administrative expenses) for (a) child feeding pro-
 4 grams and nutritional programs authorized by law in the
 5 School Lunch Act and the Child Nutrition Act, as amended;
 6 (b) additional direct distribution or other programs, with-
 7 out regard to whether such area is under the food stamp
 8 program or a system of direct distribution, to provide, in the
 9 immediate vicinity of their place of permanent residence,
 10 either directly or through a State or local welfare agency,
 11 an adequate diet to other needy children and low-income
 12 persons determined by the Secretary of Agriculture to be
 13 suffering, through no fault of their own, from general and
 14 continued hunger resulting from insufficient food(31): *Pro-*
 15 *vided,* That in making such determinations, the Secretary
 16 shall take into consideration the age; income; location and
 17 income of parents, if a minor; and employability (32)and
 18 (c) milk for children in nonprofit high schools and schools of
 19 lower levels, child-care centers, summer camps, and similar
 20 nonprofit institutions devoted to the care and training of
 21 children. (33)For necessary expenses to carry out the pro-
 22 visions of the Special Milk Program, as authorized by section
 23 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772)-

1 ~~\$120,000,000~~, to be transferred from funds available under
 2 section 32 of the Act of August 24, 1935 (7 U.S.C. 612c).

3 FOREIGN AGRICULTURAL SERVICE

4 SALARIES AND EXPENSES

5 For necessary expenses for the Foreign Agricultural
 6 Service, including carrying out title VI of the Agricultural
 7 Act of 1954 (7 U.S.C. 1761-1768), market development
 8 activities abroad, and for enabling the Secretary to coordi-
 9 nate and integrate activities of the Department in connection
 10 with foreign agricultural work, including not to exceed
 11 \$35,000 for representation allowances and for expenses pur-
 12 suant to section 8 of the Act approved August 3, 1956 (7
 13 U.S.C. 1766), ~~(34)\$22,937,000~~ \$23, 937,000: *Provided*,
 14 That not less than \$255,000 of the funds contained in this
 15 appropriation shall be available to obtain statistics and related
 16 facts on foreign production and full and complete information
 17 on methods used by other countries to move farm commodi-
 18 ties in world trade on a competitive basis: *Provided further*,
 19 That, in addition, not to exceed \$3,117,000 of the funds
 20 appropriated by section 32 of the Act of August 24, 1935,
 21 as amended (7 U.S.C. 612c), shall be merged with this
 22 appropriation and shall be available for all expenses of the
 23 Foreign Agricultural Service.

1 COMMODITY EXCHANGE AUTHORITY

2 SALARIES AND EXPENSES

3 For necessary expenses to carry into effect the provisions
4 of the Commodity Exchange Act, as amended (7 U.S.C.
5 1-17a) , (35)~~\$2,400,000.~~ \$2,321,000.

6 AGRICULTURAL STABILIZATION AND CONSERVATION

7 SERVICE

8 EXPENSES, AGRICULTURAL STABILIZATION AND

9 CONSERVATION SERVICE

10 For necessary administrative expenses of the Agricul-
11 tural Stabilization and Conservation Service, including ex-
12 penses to formulate and carry out programs authorized by
13 title III of the Agricultural Adjustment Act of 1938, as
14 amended (7 U.S.C. 1301-1393) ; Sugar Act of 1948, as
15 amended (7 U.S.C. 1101-1161) ; sections 7 to 15, 16 (a) .
16 16 (d) , 16 (e) , 16 (f) , 16 (i) , and 17 of the Soil Conserva-
17 tion and Domestic Allotment Act, as amended (16 U.S.C.
18 590g-590q) ; subtitles B and C of the Soil Bank Act (7
19 U.S.C. 1831-1837, 1802-1814, and 1816) ; and laws per-
20 taining to the Commodity Credit Corporation, (36)~~\$147,-~~
21 ~~420,000~~ \$146,000,000: *Provided*, That, in addition not to
22 exceed \$62,483,000 may be transferred to and merged with
23 this appropriation from the Commodity Credit Corporation
24 fund (including not to exceed \$26,757,000 under the limi-
25 tation on Commodity Credit Corporation administrative ex-

1 penses) : *Provided further*, That other funds made available
 2 to the Agricultural Stabilization and Conservation Service
 3 for authorized activities may be advanced to and merged
 4 with this appropriation: *Provided further*, That no part of
 5 the funds appropriated or made available under this Act
 6 shall be used (1) to influence the vote in any referendum;
 7 (2) to influence agricultural legislation, except as permitted
 8 in 18 U.S.C. 1913; or (3) for salaries or other expenses
 9 of members of county and community committees established
 10 pursuant to section 8 (b) of the Soil Conservation and Do-
 11 mestic Allotment Act, as amended, for engaging in any
 12 activities other than advisory and supervisory duties and dele-
 13 gated program functions prescribed in administrative regula-
 14 tions (37): *Provided further*, That no part of the funds ap-
 15 propriated by this Act shall be used to formulate or carry out
 16 any price support program (other than for sugar) under
 17 which payments aggregating more than \$20,000 under all
 18 such programs are made to any producer on any crop planted
 19 in the fiscal year 1970.

20 SUGAR ACT PROGRAM

21 For necessary expenses to carry into effect the pro-
 22 visions of the Sugar Act of 1948 (7 U.S.C. 1101-1161),
 23 (38)\$89,500,000 \$93,000,000 remain available until June
 24 30 of the next succeeding fiscal year.

1 AGRICULTURAL CONSERVATION PROGRAM

2 For necessary expenses to carry into effect the program
3 authorized in sections 7 to 15, 16 (a), and 17 of the Soil
4 Conservation and Domestic Allotment Act, approved Febru-
5 ary 29, 1936, as amended (16 U.S.C. 590g-590o, 590p (a),
6 and 590q), including not to exceed \$15,000 for the prepara-
7 tion and display of exhibits, including such displays at State,
8 interstate, and international fairs within the United States,
9 \$195,500,000, to remain available until December 31 of the
10 next succeeding fiscal year for compliance with the programs
11 of soil-building and soil- and water-conserving practices au-
12 thorized under this head in the Department of Agriculture
13 and Related Agencies Appropriation Acts, 1968 and 1969,
14 carried out during the period July 1, 1967, to December
15 31, 1969, inclusive: *Provided*, That none of the funds
16 herein appropriated shall be used to pay the salaries or
17 expenses of any regional information employees or any
18 State information employees, but this shall not preclude the
19 answering of inquiries or supplying of information at the
20 county level to individual farmers: *Provided further*, That
21 no portion of the funds for the current year's program may
22 be utilized to provide financial or technical assistance for
23 drainage on wetlands now designated as Wetland Types 3
24 (III), 4 (IV), and 5 (V) in United States Department of
25 the Interior, Fish and Wildlife Circular 39, Wetlands of

1 the United States, 1956: *Provided further*, That necessary
2 amounts shall be available for administrative expenses in
3 connection with the formulation and administration of the
4 1970 program of soil-building and soil- and water-conserving
5 practices, including related wildlife conserving practices and
6 pollution abatement practices, under the Act of February 29,
7 1936, as amended (amounting to ~~(39)~~\$195,500,000 \$185,-
8 000,000, excluding administration, except that no partici-
9 pant shall receive more than \$2,500, except where the par-
10 ticipants from two or more farms or ranches join to carry out
11 approved practices designed to conserve or improve the agri-
12 cultural resources of the community) : *Provided further*,
13 That not to exceed 5 per centum of the allocation for the cur-
14 rent year's agricultural conservation program for any county
15 may, on the recommendation of such county committee and
16 approval of the State committee, be withheld and allotted
17 to the Soil Conservation Service for services of its tech-
18 nicians in formulating and carrying out the agricultural
19 conservation program in the participating counties, and
20 shall not be utilized by the Soil Conservation Service for
21 any purpose other than technical and other assistance in
22 such counties, and in addition, on the recommendation of
23 such county committee and approval of the State commit-
24 tee, not to exceed 1 per centum may be made available
25 to any other Federal, State, or local public agency for

1 the same purpose and under the same conditions: *Provided*
2 *further*, That for the current year's program \$2,500,000
3 shall be available for technical assistance in formulating
4 and carrying out agricultural conservation practices: *Pro-*
5 *vided further*, That such amounts shall be available for the
6 purchase of seeds, fertilizers, lime, trees, or any other
7 farming material, or any soil-terracing services, and making
8 grants thereof to agricultural producers to aid them in carry-
9 ing out farming practices approved by the Secretary under
10 programs provided for herein: *Provided further*, That no
11 part of any funds available to the Department, or any bureau,
12 office, corporation, or other agency constituting a part of
13 such Department, shall be used in the current fiscal year
14 for the payment of salary or travel expenses of any person
15 who has been convicted of violating the Act entitled "An
16 Act to prevent pernicious political activities", approved
17 August 2, 1939, as amended, or who has been found in
18 accordance with the provisions of title 18, United States
19 Code, section 1913, to have violated or attempted to violate
20 such section which prohibits the use of Federal appropria-
21 tions for the payment of personal services or other expenses
22 designed to influence in any manner a Member of Congress
23 to favor or oppose any legislation or appropriation by Con-
24 gress except upon request of any Member or through the
25 proper official channels.

CROPLAND ADJUSTMENT PROGRAM

For necessary expenses to carry into effect a cropland adjustment program as authorized by the Food and Agriculture Act of 1965 (7 U.S.C. 1838), ~~(40)~~\$78,000,000 \$78,600,000 ~~(41)~~: *Provided*, That no additional agreements are authorized for fiscal year 1970 : *Provided*, That agreements entered into during the fiscal year 1970 shall not require payments during the calendar year 1970 exceeding \$99,300,000.

CONSERVATION RESERVE PROGRAM

For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816), and to carry out liquidation activities for the acreage reserve program, to remain available until expended, ~~(42)~~ \$37,500,000 \$37,250,000, with which may be merged the unexpended balances of funds heretofore appropriated for soil bank programs: *Provided*, That no part of these funds shall be paid on any contract which is illegal under the law due to the division of lands for the purpose of evading limits on annual payments to participants.

EMERGENCY CONSERVATION MEASURES

For emergency conservation measures, to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental

1 Appropriation Act, 1957, to remain available until expended,
2 \$5,000,000, with which shall be merged the unexpended
3 balances of funds heretofore appropriated for emergency
4 conservation measures.

5 INDEMNITY PAYMENTS TO DAIRY FARMERS

6 For necessary expenses to carry out the provisions of
7 the Act of August 13, 1968 (Public Law 90-484),
8 \$200,000: *Provided*, That none of the funds contained in
9 this Act shall be used to make indemnity payments to any
10 farmer whose milk was removed from commercial markets
11 as a result of his willful failure to follow procedures pre-
12 scribed by the Federal Government.

13 RURAL COMMUNITY DEVELOPMENT SERVICE

14 SALARIES AND EXPENSES

15 For necessary expenses, not otherwise provided for, of
16 the Rural Community Development Service in providing
17 leadership and related services in carrying out the rural
18 areas development activities of the Department, \$450,-
19 000: *Provided*, That not to exceed \$3,000 shall be avail-
20 able for employment under 5 U.S.C. 3109.

21 OFFICE OF THE INSPECTOR GENERAL

22 SALARIES AND EXPENSES

23 For necessary expenses of the Office of the Inspector
24 General, including employment pursuant to the second
25 sentence of section 706 (a) of the Organic Act of 1944 (7

1 U.S.C. 2225), and not to exceed \$10,000 for employment
 2 under 5 U.S.C. 3109, ~~(43)\$13,389,000~~ \$13,925,000.

3 PACKERS AND STOCKYARDS ADMINISTRATION

4 SALARIES AND EXPENSES

5 For expenses necessary for administration of the Pack-
 6 ers and Stockyards Act, as authorized by law, including field
 7 employment pursuant to section 706 (a) of the Organic Act
 8 of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for em-
 9 ployment under 5 U.S.C. 3109, ~~(44)\$3,200,000~~ \$3,509,-
 10 300.

11 OFFICE OF THE GENERAL COUNSEL

12 SALARIES AND EXPENSES

13 For necessary expenses, including payment of fees or
 14 dues for the use of law libraries by attorneys in the field
 15 service, ~~(45)\$5,000,000~~ \$5,459,000.

16 OFFICE OF INFORMATION

17 SALARIES AND EXPENSES

18 For necessary expenses of the Office of Information for
 19 the dissemination of agricultural information and the coordi-
 20 nation of informational work and programs authorized by
 21 Congress in the Department, \$2,106,000, of which total
 22 appropriation not to exceed \$612,000 may be used for
 23 farmers' bulletins, which shall be adapted to the interests
 24 of the people of the different sections of the country, an
 25 equal proportion of four-fifths of which shall be available

1 to be delivered to or sent out under the addressed franks
 2 furnished by the Senators, Representatives, and Delegates
 3 in Congress, as they shall direct (7 U.S.C. 417), and not
 4 less than two hundred and thirty-two thousand two hundred
 5 and fifty copies for the use of the Senate and House of Rep-
 6 resentatives of part 2 of the annual report of the Secretary
 7 (known as the Yearbook of Agriculture) as authorized by
 8 section 73 of the Act of January 12, 1895 (44 U.S.C. 241) :
 9 *Provided*, That in the preparation of motion pictures or
 10 exhibits by the Department, this appropriation shall be
 11 available for employment pursuant to the second sentence
 12 of section 706 (a) of the Organic Act of 1944 (7 U.S.C.
 13 2225), and not to exceed \$10,000 shall be available for
 14 employment under 5 U.S.C. 3109.

15 NATIONAL AGRICULTURAL LIBRARY

16 SALARIES AND EXPENSES

17 For necessary expenses of the National Agricultural
 18 Library, ~~(46)\$3,200,000~~ \$3,226,750: *Provided*, That this
 19 appropriation shall be available for employment pursuant to
 20 the second sentence of section 706 (a) of the Organic Act of
 21 1944 (7 U.S.C. 2225), and not to exceed \$35,000 shall be
 22 available for employment under 5 U.S.C. 3109.

OFFICE OF MANAGEMENT SERVICES

SALARIES AND EXPENSES

For necessary expenses to enable the Office of Management Services to provide management support services to selected agencies and offices of the Department of Agriculture, ~~(47)\$3,000,000~~ \$3,050,000.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed \$5,000 for employment under 5 U.S.C. 3109, \$4,838,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551–558: *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That not to exceed \$250,000 of funds

1 contained in the Working Capital Fund established under
 2 authority of Public Law 78-129 may be used to carry out
 3 responsibilities under the Civil Rights Act of 1964.

4 TITLE II—CREDIT AGENCIES

5 RURAL ELECTRIFICATION ADMINISTRATION

6 To carry into effect the provisions of the Rural Electri-
 7 fication Act of 1936, as amended (7 U.S.C. 901-924), as
 8 follows:

9 LOAN AUTHORIZATIONS

10 For loans in accordance with said Act, and for carrying
 11 out the provisions of section 7 thereof, to be borrowed from
 12 the Secretary of the Treasury in accordance with the provi-
 13 sions of section 3 (a) of said Act, and to remain available
 14 without fiscal year limitation in accordance with section
 15 3 (e) of said Act, as follows: rural electrification program,
 16 ~~(48)\$320,000,000~~ \$340,000,000, and rural telephone pro-
 17 gram, \$123,300,000.

18 SALARIES AND EXPENSES

19 For administrative expenses, including not to exceed
 20 \$500 for financial and credit reports, funds for employment
 21 pursuant to the second sentence of section 706 (a) of the
 22 Organic Act of 1944 (7 U.S.C. 2225), and not to exceed
 23 \$150,000 for employment under 5 U.S.C. 3109, \$13,-
 24 429,000.

FARMERS HOME ADMINISTRATION

DIRECT LOAN ACCOUNT

Direct loans and advances under subtitles A and B, and advances under section 335 (a) for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921), as amended, may be made from funds available in the Farmers Home Administration direct loan account as follows: real estate loans, ~~(49)\$83,000,000~~ \$69,600,000, and operating loans, \$275,000,000.

RURAL HOUSING DIRECT LOAN ACCOUNT

For direct loans and related advances pursuant to section 518 (d) of the Housing Act of 1949 (42 U.S.C. 1488), \$30,000,000 shall be available from funds in the rural housing direct loan account. Hereafter, farmer applicants for direct or insured rural housing loans shall be required to provide only such collateral security as is required of owners of nonfarm tracts.

EMERGENCY CREDIT REVOLVING FUND

(DISASTER LOANS)

For an additional amount for the Emergency Credit Revolving Fund, as authorized by the Act of August 8, 1961 (7 U.S.C. 1967), \$31,918,000.

1 RURAL WATER AND WASTE DISPOSAL GRANTS

2 For grants pursuant to sections 306 (a) (2) and 306
3 (a) (6) of the Consolidated Farmers Home Administration
4 Act of 1961, as amended (7 U.S.C. 1926), ~~(50)\$40,000,-~~
5 ~~000~~ \$46,000,000.

6 RURAL HOUSING FOR DOMESTIC FARM LABOR

7 For financial assistance to public nonprofit organiza-
8 tions for housing for domestic farm labor, pursuant to section
9 516 of the Housing Act of 1949, as amended (42 U.S.C.
10 1486), ~~(51)\$1,250,000~~ \$3,700,000, to remain available
11 until expended.

12 MUTUAL AND SELF-HELP HOUSING

13 For grants pursuant to section 523 (b) (1) (A) of the
14 Housing Act of 1949 (42 U.S.C. 1490c), ~~(52)\$1,250,000~~
15 \$2,000,000, to remain available until expended.

16 SELF-HELP HOUSING LAND DEVELOPMENT FUND

17 For direct loans pursuant to section 523 (b) (1) (B) of
18 the Housing Act of 1949 (42 U.S.C. 1490c) and related
19 advances, ~~(53)\$600,000~~ \$1,000,000, to remain available
20 until expended.

21 SALARIES AND EXPENSES

22 For necessary expenses of the Farmers Home Adminis-
23 tration, not otherwise provided for, in administering the
24 programs authorized by the Consolidated Farmers Home

1 Administration Act of 1961 (7 U.S.C. 1921-1991),
2 as amended, title V of the Housing Act of 1949, as amended
3 (42 U.S.C. 1471-1490c), the Rural Rehabilitation Corpo-
4 ration Trust Liquidation Act, approved May 3, 1950 (40
5 U.S.C. 440-444), and for carrying out the responsibilities
6 of the Secretary of Agriculture under sections 235 and 236 of
7 the National Housing Act, as amended (12 U.S.C. 1715z-
8 1715z-1), and section 701 of the Housing Act of 1954, as
9 amended (40 U.S.C. 461), ~~(54)\$65,000,000~~ \$67,500,000.
10 together with not more than \$2,250,000 of the charges col-
11 lected in connection with the insurance of loans as authorized
12 by section 309 (c) of the Consolidated Farmers Home Ad-
13 ministration Act of 1961, as amended, and section 514 (b)
14 (3) of the Housing Act of 1949, as amended: *Provided*,
15 That, in addition, not to exceed \$500,000 of the funds
16 available for the various programs administered by this
17 agency may be transferred to this appropriation for tempo-
18 rary field employment pursuant to the second sentence of
19 section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225)
20 to meet unusual or heavy work load increases: *Provided*
21 *further*, That no part of any funds in this paragraph may be
22 used to administer a program which makes rural housing
23 grants pursuant to section 504 of the Housing Act of 1949,
24 as amended.

1 TITLE III—CORPORATIONS

2 The following corporations and agencies are hereby
3 authorized to make such expenditures, within the limits of
4 funds and borrowing authority available to each such cor-
5 poration or agency and in accord with law, and to make
6 such contracts and commitments without regard to fiscal
7 year limitations as provided by section 104 of the Govern-
8 ment Corporation Control Act, as amended, as may be
9 necessary in carrying out the programs set forth in the
10 budget for the current fiscal year for such corporation or
11 agency, except as hereinafter provided:

12 FEDERAL CROP INSURANCE CORPORATION

13 ADMINISTRATIVE AND OPERATING EXPENSES

14 For administrative and operating expenses, \$12,000,000.

15 FEDERAL CROP INSURANCE CORPORATION FUND

16 Not to exceed \$1,648,000 of administrative and operat-
17 ing expenses may be paid from premium income.

18 SUBSCRIPTION TO CAPITAL STOCK

19 To enable the Secretary of the Treasury to subscribe
20 and pay for capital stock of the Federal Crop Insurance
21 Corporation, as provided in section 504 of the Federal Crop
22 Insurance Act (7 U.S.C. 1504), \$10,000,000.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

To reimburse the Commodity Credit Corporation for net realized losses sustained in prior years but not previously reimbursed, pursuant to the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), in the following amounts: fiscal year 1961, \$57,047,170; fiscal year 1967, \$2,210,668,971; fiscal year 1968, ~~(55)\$2,698,217,859~~ \$2,948,217,859; in total, ~~(56)\$4,965,934,000~~ \$5,215,934,000: *Provided*, That no funds appropriated by this Act shall be used to formulate or administer programs for the sale of agricultural commodities pursuant to title I of Public Law 480, 83d Congress, as amended, to any nation which sells or furnishes or which permits ships or aircraft under its registry to transport to North Vietnam any equipment, materials or commodities, so long as North Vietnam is governed by a Communist regime.

LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed ~~(57) \$31,500,000~~ \$32,000,000 shall be available for administrative expenses of the Corporation: *Pro-*

1 *vided further*, That \$945,000 of this authorization shall be
2 available only to expand and strengthen the sales program of
3 the Corporation pursuant to authority contained in the Cor-
4 poration's charter: *Provided further*, That not less than 7 per
5 centum of this authorization shall be placed in reserve to be
6 apportioned pursuant to section 3679 of the Revised Statutes,
7 as amended, for use only in such amounts and at such times
8 as may become necessary to carry out program operations:
9 *Provided further*, That all necessary expenses (including
10 legal and special services performed on a contract or fee
11 basis, but not including other personal services) in connec-
12 tion with the acquisition, operation, maintenance, improve-
13 ment, or disposition of any real or personal property
14 belonging to the Corporation or in which it has an interest,
15 including expenses of collections of pledged collateral, shall
16 be considered as nonadministrative expenses for the purposes
17 hereof.

18 PUBLIC LAW 480

19 For expenses during the current fiscal year, not other-
20 wise recoverable, and unrecovered prior years' costs, includ-
21 ing interest thereon, under the Agricultural Trade Develop-
22 ment and Assistance Act of 1954, as amended (7 U.S.C.
23 1701-1710, 1721-1725, 1731-1736d), to remain available
24 until expended, as follows: (1) sale of agricultural commod-
25 ities for foreign currencies and for dollars on credit terms

1 pursuant to title I of said Act, ~~(58)\$400,000,000~~ \$420,-
 2 000,000; and (2) commodities disposed of and other costs
 3 incurred in connection with donations abroad, pursuant to
 4 title II of said Act ~~(59)\$500,000,000~~ \$515,000,000.

5 BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

6 For unrecovered prior years' costs related to strategic
 7 and other materials acquired as a result of barter or exchange
 8 of agricultural commodities or products and transferred to
 9 the supplemental stockpile pursuant to the Act of May 28,
 10 1956, as amended (7 U.S.C. 1856), ~~(60)\$750,000~~ \$1,250,-
 11 000 to remain available until expended.

12 TITLE IV—RELATED AGENCIES

13 FARM CREDIT ADMINISTRATION

14 LIMITATION ON ADMINISTRATIVE EXPENSES

15 Not to exceed \$3,628,000 (from assessments collected
 16 from farm credit agencies) shall be obligated during the
 17 current fiscal year for administrative expenses.

18 TITLE V—GENERAL PROVISIONS

19 SEC. 501. Within the unit limit of cost fixed by law,
 20 appropriations and authorizations made for the Department
 21 under this Act shall be available for the purchase, in addi-
 22 tion to those specifically provided for, of not to exceed five
 23 hundred and ~~(61)thirty~~ ~~(530)~~ *sixty-six* (566) passenger
 24 motor vehicles, of which four hundred and sixty-eight (468)

1 shall be for replacement only, and for the hire of such
2 vehicles.

3 SEC. 502. Provisions of law prohibiting or restricting
4 the employment of aliens shall not apply to employment
5 under the appropriation for the Foreign Agricultural Service.

6 SEC. 503. Funds available to the Department of Agri-
7 culture shall be available for uniforms or allowances therefor
8 as authorized by law (5 U.S.C. 5901-5902).

9 SEC. 504. No part of the funds appropriated by this
10 Act shall be used for the payment of any officer or employee
11 of the Department who, as such officer or employee, or on
12 behalf of the Department or any division, commission, or
13 bureau thereof, issues, or causes to be issued, any prediction,
14 oral or written, or forecast, except as to damage threatened
15 or caused by insects and pests, with respect to future prices
16 of cotton or the trend of same.

17 SEC. 505. Except to provide materials required in or
18 incident to research or experimental work where no suitable
19 domestic product is available, no part of the funds appro-
20 priated by this Act shall be expended in the purchase of
21 twine manufactured from commodities or materials produced
22 outside of the United States.

23 SEC. 506. Not less than \$1,500,000 of the appropriations
24 of the Department for research and service work authorized
25 by the Acts of August 14, 1946, July 28, 1954, and Septem-

ber 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts.

SEC. 507. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 508. None of the funds in this Act shall be available to finance interdepartmental boards, commissions, councils, committees, or similar groups under sec. 214 of the Independent Offices Appropriation Act, 1946 (31 U.S.C. 691) which do not have prior and specific Congressional approval of such method of financial support.

SEC. 509. No part of the funds appropriated under this Act shall be used to pay salaries of any Federal employee who is convicted in any Federal, State, or local court of competent jurisdiction, of inciting, promoting, or carrying on a riot, or any group activity resulting in material damage to property or injury to persons, found to be in violation of Federal, State, or local laws designed to protect persons or property in the community concerned.

SEC. 510. Positions in the agencies covered by this Act, whether financed from funds contained in this Act or from other sources, may be filled during the fiscal year 1970 without regard to the provisions of section 201 of Public Law 90-364, and such positions shall not be taken into considera-

1 tion in determining numbers of employees under subsection
2 (a) of that section or numbers of vacancies under subsection
3 (b) of that section.

4 This Act may be cited as the "Department of Agriculture
5 and Related Agencies Appropriation Act, 1970".

Passed the House of Representatives May 27, 1969.

Attest: W. PAT JENNINGS,
Clerk.

Passed the Senate with amendments July 7, 1969.

Attest: FRANCIS R. VALEO,
Secretary.

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 7, 1969

Ordered to be printed with the amendments of the
Senate numbered

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued October 10, 1969
For actions of October 9, 1969
91st-1st No. 165

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HIGHLIGHTS: House conferees were appointed on agricultural appropriations bill; motion to instruct conferees to limit subsidy payments was rejected. House subcommittee approved production research under marketing agreement and order programs bill.

HOUSE

1. AGRICULTURAL APPROPRIATIONS. Conferees were appointed on H. R. 11612, the agricultural appropriations bill, and a motion by Rep. Conte to instruct the conferees to insist on limitation of subsidy payments to \$20,000 was rejected, 181-177 (pp. H9321-2). **Senate conferees have been appointed.**
2. MARKETING: PRODUCTION RESEARCH. The "Daily Digest" states that an Agriculture subcommittee approved for full committee action H. R. 8536, to authorize production research under marketing agreement and order programs; a motion to report H. R. 9655, the honey promotion and research bill was rejected but the bill will probably come up for reconsideration at the next meeting; and that the subcommittee also considered H. R. 10710, the production research and advertising bill, but deferred action on it. p. D928
3. COTTON. Rep. Findley disagreed with this Department's statistics on the snapback provision of the cotton program. p. H9320
4. WATER POLLUTION. Conferees were appointed on H. R. 4148, to amend the Federal Water Pollution Control Act (p. H9343). **Senate conferees have been appointed.**
5. TAX REFORM. Rep. Patman inserted the text of his remarks given before the Senate Finance Committee on H. R. 13270, the tax reform bill. pp. H9386-90
6. LEGISLATIVE PROGRAM. Rep. Albert announced that H. R. 13000, the Federal salary comparability bill will be considered beginning Tuesday, also that H. R. 4293, the export control bill will be considered next week; and that conference reports may be brought up any time. p. H9353
7. ADJOURNED until Mon., Oct. 13. p. H9391

SENATE

8. EDUCATION. Both Houses received the President's second annual report of the National Advisory Committee on Adult Basic Education (H. Doc. 91-176). pp. S12212, H9353
The Labor and Public Welfare Committee voted to report (but did not actually report) S.338, relating to educational assistance rate increases, flight-training loans, and farm training programs (amended). p. D927
Sen. Murphy inserted a letter from the Baltimore City public schools urging enactment of the proposed Urban and Rural Education Act. p. S12276
9. CREDIT. A subcommittee of the Banking and Currency Committee approved for full committee consideration S. 823, to enable consumers to protect themselves against arbitrary, erroneous, and malicious credit information. p. D926

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 211]

Barrett	Gude	Pucinski
Berry	Halpern	Purcell
Blatnik	Hanley	Rees
Brooks	Hansen, Idaho	Reifel
Burton, Utah	Harsha	Rooney, N.Y.
Cahill	Harvey	Rooney, Pa.
Carey	Holifield	Rostenkowski
Celler	Howard	St. Onge
Clark	Hull	Scheuer
Clay	Ichord	Sebelius
Collins	Karth	Shriver
Corman	Kirwan	Stafford
Dawson	Leggett	Steiger, Wis.
Denney	Lipscomb	Stephens
Diggs	Lukens	Symington
Eckhardt	Melcher	Teague, Calif.
Edwards, Ala.	Miller, Calif.	Teague, Tex.
Fascell	Morton	Turney
Flood	Nichols	Vank
Ford,	O'Hara	Watson
William D.	O'Konski	Whitehurst
Foreman	Ottinger	Widnall
Gallagher	Pelly	Wilson, Bob
Gilbert	Pepper	Wilson,
Gray	Pirnie	Charles H.
Griffin	Podell	Wright
Grover	Powell	

The SPEAKER. On this rollcall 353 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERSONAL EXPLANATION

(Mr. PUCINSKI asked and was given permission to address the House for 1 minute.)

Mr. PUCINSKI. Mr. Speaker, on the quorum call just concluded—rollcall No. 211—I was absent from the Chamber because I was holding hearings on the educational needs of the seventies, and we had a very distinguished group of witnesses appearing before our subcommittee.

APPOINTMENT OF CONFEREES ON H.R. 11612, DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1970

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. FINDLEY. Mr. Speaker, reserving the right to object—and I assure my friend and colleague I shall not object—I do so because at the proper time a preferential motion will be made to instruct conferees. This is an unusual procedure, and in view of that, I thought perhaps the gentleman from Mississippi might shed some light as to the Members who have been recommended as conferees.

The reason I bring up this question—and I realize that, too, is quite unusual—

is that as I have examined those who have been conferees on previous agriculture appropriation bills and who are still Members of this body, as to how they voted on the Conte amendment last July 31, as well as on the Conte amendment earlier this year. I do not find much enthusiasm among them for the payment limitation amendment. But, at the same time, I notice on the Appropriations Committee there are a number of members of both parties who did vote for the Conte amendment this year, and it would reassure us if we could feel the position of the House on the question of payment limitations would be supported by Members who voted for the Conte amendment earlier this year.

Perhaps the gentleman could shed some light as to the identity of those recommended to be conferees.

Mr. WHITTEN. Mr. Speaker, may I say I appreciate the gentleman's addressing the question to me, but as the gentleman well knows, this is a prerogative of the Speaker; and when the Speaker cares to, he asks advice in that area; and when he does not care to, that is within his own purview. So I cannot say what the Speaker will do.

Through the years that I have been here I have seen the entire subcommittee appointed on occasions, and I personally could not differ with that course, but I do not have anything to do with it.

Mr. FINDLEY. Mr. Speaker, further reserving the right to object, as I have examined the votes of members of the Appropriations Committee on the Conte issue, I believe it was late in May of this year, I find 11 Democrats did vote for the Conte amendment, and 10 Republicans voted for it.

So I am hopeful among those named to the conference will be a goodly number of those who are recorded in favor of putting a limitation on individual payments.

I thank the gentleman very much for the courtesy of his response.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PREFERENTIAL MOTION OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. CONTE moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 11612, be instructed to insist on the provision beginning on page 22, line 17 which reads as follows:

"Provided further, That no part of the funds appropriated by this Act shall be used to formulate or carry out any price support program (other than for sugar) under which payments aggregating more than \$20,000 under all such programs are made to any producer on any crops planted in the fiscal year 1970."

Mr. WHITTEN. Mr. Speaker—

The SPEAKER. The gentleman from Massachusetts is recognized for 1 hour.

POINT OF ORDER

Mr. WHITTEN. Mr. Speaker, I rose to make a point of order against the motion.

The SPEAKER. The gentleman will state his point of order.

Mr. WHITTEN. Mr. Speaker, amendment 37 of the Senate to the bill provides that the language on page 23 of the House bill—which I shall read—"Provided further, that no part of the funds appropriated by this Act"—

The SPEAKER. Did the gentleman mention amendment 27?

Mr. WHITTEN. It is 37, on page 23 of the Senate bill, to strike out the language.

The SPEAKER. Will the gentleman repeat that again? Amendment 37?

Mr. WHITTEN. Amendment No. 37, page 23 of the bill H.R. 11612 as printed in the Senate.

The SPEAKER. The gentleman will state his point of order.

Mr. WHITTEN. The bill itself will show that the so-called Conte amendment was stricken out by the Senate on page 23 of the bill as printed by the Senate. It is identified as amendment 37 of the Senate.

I would call the attention of the Speaker to the fact that the unanimous-consent request I asked for, and which was accepted, called on the conferees to disagree to the amendments of the Senate. So we have, by unanimous consent, just instructed the conferees to disagree to the Senate amendments, of which amendment 37 is one, so any further instruction would be superfluous and would be out of order, because we have by unanimous consent agreed that the conferees would disagree to the Senate amendments, of which the Conte amendment repeal is one.

The SPEAKER. Does the gentleman from Massachusetts desire to be heard on the point of order?

Mr. CONTE. I believe the point of order is out of order, Mr. Speaker. Certainly the gentleman is putting the cart before the horse.

The House has a right to work its will here and to instruct the conferees in any manner it pleases. The only thing we have before us now is the unanimous consent to go to conference and to appoint conferees. At this point any Member can get up to ask for instruction of conferees to go to conference and sustain and substantiate the will of the House in regard to this particular amendment.

Therefore, I feel the Chair should overrule the point of order.

The SPEAKER. The Chair is prepared to rule.

This question has been passed upon on a number of occasions, and the Chair calls attention to one previous ruling made on this same question to be found in Cannon's Procedures, page 126:

Adoption of a motion to disagree or to insist on disagreement to a Senate amendment does not preclude consideration of subsequent motions instructing conferees to take other action on such amendments or parts thereof, and the question as to whether a motion to instruct is inconsistent with action previously taken is a question for the House, and not the Chair. (Cannon Precepts VIII 3237-9, 3230)

The Chair overrules the point of order.

PREFERENTIAL MOTION OFFERED BY
MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. WHITTEN moves to lay on the table the motion offered by the gentleman from Massachusetts (Mr. CONTE).

The SPEAKER. The question is on the preferential motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The question was taken; and the Speaker being in doubt, the House divided, and there were—ayes 64, noes 44.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 181, nays 177, not voting 73, as follows:

[Roll No. 212]

YEAS—181

Abbott	Flood	Montgomery
Abernethy	Flowers	Morton
Adair	Flynt	Myers
Albert	Foley	Natcher
Alexander	Ford, Gerald R.	Olsen
Anderson,	Fountain	O'Neal, Ga.
Tenn.	Fuqua	Passman
Andrews, Ala.	Gallifanakis	Patman
Andrews,	Gettys	Patten
N. Dak.	Goldwater	Perkins
Arends	Gonzalez	Pickle
Aspinall	Goodling	Poage
Ayres	Green, Oreg.	Pollock
Belcher	Gubser	Preyer, N.C.
Bell, Calif.	Hagan	Price, Tex.
Bevill	Haley	Pryor, Ark.
Blackburn	Hammer-	Quillen
Blanton	schmidt	Randall
Boggs	Hanna	Rarick
Bolling	Hansen, Idaho	Reid, Ill.
Bow	Hathaway	Rhodes
Bray	Hébert	Rivers
Brinkley	Henderson	Roberts
Brock	Hicks	Rogers, Colo.
Brown, Mich.	Johnson, Calif.	Rogers, Fla.
Broyhill, N.C.	Jonas	Roudebush
Broyhill, Va.	Jones, Ala.	Ruth
Buchanan	Jones, N.C.	Satterfield
Burleson, Tex.	Jones, Tenn.	Schadeberg
Burlison, Mo.	Kazen	Scherle
Burton, Calif.	Kee	Sikes
Bush	King	Sisk
Byrnes, Wis.	Kleppe	Skubitz
Cabell	Kuykendall	Slack
Caffery	Kyl	Smith, Iowa
Camp	Kyros	Snyder
Carter	Landgrebe	Springer
Cederberg	Landrum	Steed
Celler	Langen	Steiger, Ariz.
Chappell	Lennon	Stubblefield
Clausen,	Lloyd	Stuckey
Don H.	Long, La.	Talcott
Colmer	McClory	Taylor
Daniel, Va.	McClure	Teague, Tex.
Davis, Ga.	McFall	Thompson, Ga.
Davis, Wis.	McKneally	Udall
de la Garza	McMillan	Ullman
Dellenback	Mahon	Utt
Dent	Mann	Vigorito
Derwinski	Martin	Waggonner
Devine	Mathias	Waldie
Dickinson	Matsunaga	Wampler
Dorn	May	Watts
Dowdy	Meeds	White
Downing	Melcher	Whitten
Duncan	Michel	Wiggins
Eckhardt	Miller, Ohio	Winn
Edmondson	Mills	Wold
Edwards, La.	Mink	Wyle
Evans, Colo.	Minshall	Young
Evins, Tenn.	Mize	Zion
Fisher	Mizell	

NAYS—177

Adams	Fulton, Pa.	Mosher
Addabbo	Fulton, Tenn.	Moss
Anderson,	Gallagher	Murphy, Ill.
Calif.	Garmatz	Murphy, N.Y.
Annunzio	Gaydos	Nedzi
Ashbrook	Gialmo	Nelsen
Ashley	Gibbons	Nix
Baring	Green, Pa.	Obeys
Barrett	Griffiths	O'Neill, Mass.
Beall, Md.	Gross	Ottinger
Bennett	Grover	Pettis
Betts	Gude	Philbin
Blaggi	Hall	Pike
Blester	Hamilton	Poff
Bingham	Harrington	Price, Ill.
Boland	Hastings	Pucinski
Brademas	Hawkins	Quile
Brasco	Hays	Railsback
Broomfield	Hechler, W. Va.	Reid, N.Y.
Brotzman	Heckler, Mass.	Reuss
Brown, Calif.	Helstoski	Riegler
Burke, Fla.	Hogan	Rodino
Burke, Mass.	Horton	Rooney, Pa.
Button	Hosmer	Rosenthal
Byrne, Pa.	Hungate	Roth
Chisholm	Hunt	Roybal
Clancy	Hutchinson	Ruppe
Clawson, Del.	Jacobs	Ryan
Cleveland	Jarman	St Germain
Cohelan	Johnson, Pa.	Sandman
Collier	Kastenmeier	Saylor
Conable	Keith	Scheuer
Conte	Kluczynski	Schneebeli
Conyers	Koch	Schwengel
Corbett	Latta	Scott
Coughlin	Long, Md.	Shipley
Cowger	Lowenstein	Smith, Calif.
Cramer	Lujan	Smith, N.Y.
Culver	McCarthy	Staggers
Cunningham	McCloskey	Stanton
Daddario	McCulloch	Stokes
Daniels, N.J.	McDade	Stratton
Delaney	McDonald,	Taft
Dennis	Mich.	Thompson, N.J.
Dingell	McEwen	Thomson, Wis.
Donohue	Macdonald,	Tiernan
Dulski	Mass.	Van Deerlin
Dwyer	MacGregor	Vanik
Erlenborn	Madden	Watkins
Esch	Mailliard	Welcker
Eshleman	Marsh	Whalen
Fallon	Mayne	Whalley
Farbstein	Meskill	Williams
Feighan	Mikva	Wolff
Findley	Minish	Wyder
Fish	Molloy	Wyman
Fraser	Monahan	Yates
Frelinghuysen	Moorhead	Yatron
Frey	Morgan	Zablocki
Friedel	Morse	Zwach

NOT VOTING—73

Anderson, Ill.	Gray	Purcell
Berry	Griffin	Rees
Blatnik	Halpern	Reifel
Brooks	Hanley	Robison
Brown, Ohio	Hansen, Wash.	Rooney, N.Y.
Burton, Utah	Harsha	Rostenkowski
Cahill	Harvey	St. Onge
Carey	Hollifield	Sebellius
Casey	Howard	Shriver
Chamberlain	Hull	Stafford
Clark	Ichord	Steiger, Wis.
Clay	Karth	Stephens
Collins	Kirwan	Sullivan
Corman	Leggett	Symington
Dawson	Lipscomb	Teague, Calif.
Denney	Lukens	Tunney
Diggs	Miller, Calif.	Vander Jagt
Edwards, Ala.	Nichols	Watson
Edwards, Calif.	O'Hara	Whitehurst
Eilberg	O'Konski	Widnall
Fascell	Pelly	Wilson, Bob
Ford	Pepper	Wilson,
William D.	Pirnie	Charles H.
Foreman	Podell	Wright
Gilbert	Powell	Wyatt

So the preferential motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Stephens for, with Mr. Hollifield against.
Mr. Griffin for, with Mr. Gilbert against.
Mr. Nichols for, with Mr. Carey against.

Mr. Tunney for, with Mr. Howard against.
Mr. Berry for, with Mr. Robison against.
Mr. Denney for, with Mr. Widnall against.
Mr. Wyatt for, with Mr. Pirnie against.
Mr. Burton of Utah for, with Mr. Bob Wilson against.
Mr. Sebellius for, with Mr. Pelly against.
Mr. Watson for, with Mr. Stafford against.
Mr. Rooney of New York for, with Mr. Eilberg against.
Mr. Kirwan for, with Mr. Podell against.
Mr. Leggett for, with Mr. William D. Ford against.
Mr. Brooks for, with Mr. Rostenkowski against.
Mr. Casey for, with Mr. Blatnik against.
Mr. Purcell for, with Mr. O'Hara against.
Mr. Edwards of California for, with Mr. Clay against.
Mr. Gray for, with Mr. Powell against.
Mr. St. Onge for, with Mr. Diggs against.

Until further notice:

Mr. Charles H. Wilson with Mr. Anderson of Illinois.
Mr. Miller of California with Mr. Edwards of Alabama.
Mr. Fascell with Mr. Lipscomb.
Mr. Pepper with Mr. Brown of Ohio.
Mr. Hanley with Mr. Harsha.
Mrs. Hansen of Washington with Mr. Chamberlain.
Mr. Rees with Mr. Lukens.
Mr. Symington with Mr. Foreman.
Mr. Hull with Mr. Collins.
Mrs. Sullivan with Mr. Harvey.
Mr. Karth with Mr. Halpern.
Mr. Ichord with Mr. O'Konski.
Mr. Wright with Mr. Reifel.
Mr. Corman with Mr. Whitehurst.
Mr. Steiger of Wisconsin with Mr. Clark.
Mr. Shriver with Mr. Cahill.
Mr. Teague of California with Mr. Vander Jagt.

Messrs. BROYHILL of Virginia, KLEPPE, BELL of California, DENT, and WALDIE changed their votes from "nay" to "yea."

Mr. LONG of Maryland changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

Mr. FINDLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. FINDLEY. Mr. Speaker, was the vote 181 affirmative and 177 negative?

The SPEAKER. The Chair will state that that is correct.

Mr. FINDLEY. Mr. Speaker, on that I request a recapitulation.

The SPEAKER. The Chair will state that the Chair feels that if there was a difference of one or two votes, the Chair would order a recapitulation, but where there are four votes the Chair does not feel a recapitulation should be ordered.

The Chair appoints the following conferees: Messrs. WHITTEN, NATCHER, HULL, SHIPLEY, EVANS of Colorado, MAHON, LANGEN, MICHEL, EDWARDS of Alabama, and Bow.

Without objection, a motion to reconsider is laid on the table.

Mr. ASHBROOK. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of Nov. 18, 1969
91st-1st; No. 184

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HIGHLIGHTS: House received conference report on agricultural appropriations bill. Both Houses received President's trade message. House committee reported high timber yield fund bill.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL. Received the conference report on this bill, H. R. 11612 (H. Rept. 91-657) (pp. H11035-7, p. ~~H11071~~). Attached to this Digest is a table reflecting the changes agreed upon by the conferees.
2. APPROPRIATIONS. Passed, 362-25, with amendments H. R. 14794, the Department of Transportation and related agencies appropriation bill. pp. H10990-11034
3. FORESTS; TIMBER. The Agriculture Committee reported with amendment H. R. 12025, to provide for the more efficient development and improved management of national forest commercial forest land, to establish a high timber yield fund (H. Rept. 91-655). p. H11071
4. TAHOE COMPACT. The Judiciary Committee reported with amendment S. 118, to grant the consent of the Congress to the Tahoe regional planning compact, to authorize the Secretary of Interior and others to cooperate with the planning agency thereby created (H. Rept. 91-650). p. H11071
5. COPYRIGHTS. The Judiciary Committee reported S. J. Res. 143, to extend the duration of copyright protection in certain cases (H. Rept. 91-651). p. H11071
6. MINERALS. A subcommittee of the Interior and Insular Affairs Committee approved for full committee action H. R. 9882, amended, to authorize Interior to sell reserved phosphate interests of the U. S. in certain lands in Fla. p. D1085
7. MARINE RESOURCES. Subcommittees of the Merchant Marine and Fisheries Committee approved for full committee action H. R. 13247, amended, to amend the Marine Resources and Engineering Development Act of 1966 to establish a comprehensive and long-range national program of research, development, technical services, exploration and utilization with respect to our marine and atmospheric environment; and H. R. 13407, to consent to the amendment of the Pacific Marine Fisheries Compact. p. D1086
8. FOREIGN TRADE. Rep. Dent deplored the effect of imported goods on American industry. p. H10977
Rep. Findley discussed trade with Japan and commended this Department's "forthright steps" taken to increase agricultural commodities sales to Japan. p. H11053
Rep. Gerald Ford commended the President's trade message. pp. 11980-1
9. INFLATION. Reps. Annunzio and Saylor discussed inflation and high interest rates and inserted articles on this subject. pp. H11039-40, H11064
10. PARKS; RECREATION. Rep. Saylor called for a slowing down of construction of freeways at the sacrifice of public lands for such purpose. pp. H11038-9
11. RHODESIA. Several Representatives discussed the pros and cons of economic sanctions against Rhodesia. pp. H11041-7

34. LANDS. H. R. 14855 by Rep. Hansen, to amend the act of August 31, 1954 (68 Stat. 1026), providing for the construction, maintenance, and operation of Michaud Flats irrigation project; to the Interior and Insular Affairs Committee.

H. R. 14857 by Rep. Long, to declare and determine the policy of the Congress with respect to the primary authority of the several states to control, regulate, and manage fish and wildlife within their territorial boundaries, etc. to the Merchant Marine and Fisheries Committee.

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COMMITTEE HEARINGS:

Nov. 19: S. Agriculture and Forestry (exec).

Child-resistant packaging of hazardous substances, S. Commerce.

Establish international quarantine station, H. Agriculture.

Cotton program, H. Agriculture.

Intergovernmental personnel bill, H. Education

Create Commission on Population Growth and American Future, H. Government Operations.

Nov. 20: Farmer bargaining, S. Agriculture and Forestry (Angevine, FCS, to testify).

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY, BUDGET
ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970

[Note: All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and Item	1970 New (Obligational) Authority			
	1970	1970	1970	Conference
	Budget estimates	House bill	Senate bill	Report
GENERAL ACTIVITIES:				
Agricultural Research Service:				
Salaries and expenses:				
Research:				
Direct appropriation	\$130,631,300	\$130,182,000	\$134,452,000	\$131,802,200
Transfer from sec. 32	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)
Total, research	(145,631,300)	(145,182,000)	(149,452,000)	(146,802,200)
Plant and animal disease and pest control	91,176,500	89,493,000	92,126,500	90,809,750
Special fund (reappropriation)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Total, salaries and expenses	221,807,800	219,675,000	226,578,500	222,611,950
Salaries and expenses (special foreign currency program)	8,287,000	4,500,000	5,500,000	5,000,000
Total, Agricultural Research Service	230,094,800	224,175,000	232,078,500	227,611,950
Cooperative State Research Service:				
Payments and expenses	63,730,000	61,175,000	61,710,000	62,510,000
Extension Service	130,909,000	129,129,000	131,609,000	131,484,000
Farmer Cooperative Service:				
Salaries and expenses	1,635,000	1,500,000	1,635,000	1,500,000
Soil Conservation Service:				
Conservation operations	118,786,000	118,786,000	118,786,000	118,786,000
River basin surveys and investigations	8,187,000	8,187,000	8,187,000	8,187,000
Watershed planning	6,209,000	6,209,000	5,000,000	6,209,000
Watershed works of improvement	55,078,000	57,873,000	63,873,000	63,873,000
Flood prevention	20,223,000	20,223,000	20,223,000	20,223,000
Great Plains conservation program	14,000,000	15,000,000	15,000,000	15,000,000
Resource conservation and development	8,452,000	7,452,000	10,252,000	10,252,000
Total, Soil Conservation Service	230,935,000	233,730,000	241,321,000	242,530,000

Agency and Item	1970 New (Obligational) Authority			
	1970 Budget Estimates	1970 House Bill	1970 Senate Bill	Conference Report
GENERAL ACTIVITIES - Continued				
Economic Research Service:				
Salaries and expenses	13,562,000	13,450,000	13,562,000	13,450,800
Statistical Reporting Service:				
Salaries and expenses	15,055,000	14,950,000	16,375,600	15,412,000
Consumer and Marketing Service:				
Consumer protective, marketing, and regulatory programs	135,254,200	130,867,000	134,695,500	133,595,500
Payments to States and possessions	1,600,000	1,600,000	1,600,000	1,600,000
Special milk program:				
Transfer from sec. 32	- -	(120,000,000)	- -	- -
Direct appropriation	- -	- -	84,000,000	84,000,000
Child nutrition programs (school lunch program):				
Direct appropriation	117,500,000	117,500,000	122,500,000	122,500,000
Transfer from sec. 32	(194,266,000)	(194,266,000)	(194,266,000)	(194,266,000)
Total, child nutrition programs	(311,766,000)	(311,766,000)	(316,766,000)	(316,766,000)
Food stamp program	610,000,000	340,000,000	750,000,000	610,000,000
Total, Consumer and Marketing Service	864,354,200	589,967,000	1,092,795,500	951,695,500
Foreign Agricultural Service:				
Salaries and expenses	23,937,000	22,937,000	23,937,000	23,437,000
Transfer from sec. 32	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)
Transfer from CCC	(107,000)	(107,000)	(107,000)	(107,000)
Total, Foreign Agricultural Service	(27,161,000)	(26,161,000)	(27,161,000)	(26,661,000)
Commodity Exchange Authority:				
Salaries and expenses	2,321,000	2,100,000	2,321,000	2,321,000
Agricultural Stabilization and Conservation Service:				
Expenses, ASCS:				
Direct appropriation	128,870,000	147,420,000	146,000,000	146,000,000
Transfer from CCC	(62,483,000)	(62,483,000)	(62,483,000)	(62,483,000)
Total, expenses, ASCS	(191,353,000)	(209,903,000)	(208,483,000)	(208,483,000)
Sugar Act program	96,300,000	89,500,000	93,000,000	93,000,000

Agency and Item	1970 New (Obligational) Authority			
	1970 Budget Estimates	1970 House Bill	1970 Senate Bill	Conference Report
GENERAL ACTIVITIES - Continued				
Agricultural Stabilization and Conservation Service - Continued				
Agricultural conservation program:				
Liquidation of contract authorization	(195,500,000)	(195,500,000)	(195,500,000)	(195,500,000)
Advance authorization 1970 program (contract authorization) ...	- -	195,500,000	185,000,000	195,500,000
Cropland adjustment program:				
Appropriation	79,330,000	78,000,000	78,600,000	78,600,000
Limitation on authorization for 1970 program	(99,300,000)	- -	(99,300,000)	- -
Conservation reserve program	37,900,000	37,500,000	37,250,000	37,250,000
Emergency conservations measures	5,000,000	5,000,000	5,000,000	5,000,000
Indemnity payments to dairy farmers	200,000	200,000	200,000	200,000
Total, Agricultural Stabilization and Conservation Service	347,600,000	553,120,000	545,050,000	555,550,000
Rural Community Development Service:				
Salaries and expenses	450,000	450,000	450,000	450,000
Office of the Inspector General:				
Salaries and expenses	13,925,000	13,389,000	13,925,000	13,657,000
Packers and Stockyards Administration:				
Salaries and expenses	3,509,300	3,200,000	3,509,300	3,354,650
Office of the General Counsel:				
Salaries and expenses	5,559,000	5,000,000	5,459,000	5,229,500
Office of Information:				
Salaries and expenses	2,164,000	2,106,000	2,106,000	2,106,000
National Agricultural Library:				
Salaries and expenses	3,226,750	3,200,000	3,226,750	3,226,750
Office of Management Services:				
Salaries and expenses	3,069,000	3,000,000	3,050,000	3,025,000

Agency and Item	1970 New (Obligational) Authority			
	1970	1970	1970	Conference
	Budget Estimates	House Bill	Senate Bill	Report
GENERAL ACTIVITIES - Continued				
General Administration:				
Salaries and expenses	5,052,000	4,838,000	4,838,000	4,838,000
Total, Title I, General Activities	1,961,088,050	1,881,416,000	2,398,958,650	2,263,389,150
CREDIT AGENCIES:				
Rural Electrification Administration:				
Loan authorizations:				
Electrification	320,000,000	320,000,000	340,000,000	340,000,000
Telephone	123,300,000	123,300,000	123,300,000	123,300,000
Total, loans (authorization to spend debt receipts)	443,300,000	443,300,000	463,300,000	463,300,000
Salaries and expenses	13,429,000	13,429,000	13,429,000	13,429,000
Total, Rural Electrification Administration	456,729,000	456,729,000	476,729,000	476,729,000
Farmers Home Administration:				
Direct loan account:				
Real estate loans	(69,600,000)	(83,000,000)	(69,600,000)	(83,000,000)
Operating loans	(250,000,000)	(275,000,000)	(275,000,000)	(275,000,000)
Soil conservation loans	(8,800,000)	(4,900,000)	(8,700,000)	(8,700,000)
Total, direct loan account	(328,400,000)	(362,900,000)	(353,300,000)	(366,700,000)
Rural housing direct loan account	(30,400,000)	(30,000,000)	(30,000,000)	(30,000,000)
Emergency credit revolving fund	31,918,000	31,918,000	31,918,000	31,918,000
Rural water and waste disposal grants	28,000,000	40,000,000	46,000,000	46,000,000
Rural renewal	-	-	-	-
Rural housing for domestic farm labor	3,700,000	1,250,000	3,700,000	2,500,000
Housing for rural trainees	1,000,000	-	-	-
Mutual and self-help housing	3,000,000	1,250,000	3,000,000	2,125,000
Self-help housing land development fund	1,400,000	600,000	1,000,000	1,000,000
Salaries and expenses:				
Direct appropriations	84,885,000	65,000,000	67,500,000	66,250,000
Transfer from agricultural credit insurance fund	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)

Agency and Item	1970 New (Obligational) Authority			
	1970	1970	1970	Conference
	Budget Estimates	House Bill	Senate Bill	
CREDIT AGENCIES - Continued				
Farmers Home Administration - Continued				
Salaries and expenses - Continued				
Miscellaneous transfer	(500,000)	(500,000)	(500,000)	(500,000)
Total, Salaries and Expenses	(87,635,000)	(67,750,000)	(70,250,000)	(69,000,000)
Total, Farmers Home Administration	153,903,000	140,618,000	153,118,000	149,793,000
Total, Credit Agencies	610,632,000	596,747,000	629,847,000	626,522,000
CORPORATIONS:				
Federal Crop Insurance Corporation:				
Appropriation	12,000,000	12,000,000	12,000,000	12,000,000
Premium income	(1,648,000)	(1,648,000)	(1,648,000)	(1,648,000)
Total, Administrative and operating expenses	(13,648,000)	(13,648,000)	(13,648,000)	(13,648,000)
Subscription to capital fund	10,000,000	10,000,000	10,000,000	10,000,000
Commodity Credit Corporation:				
Reimbursement for net realized losses:				
Appropriation	5,215,934,000	4,965,934,000	5,215,934,000	5,215,934,000
Contract authority 2	-	-	-	-
Liquidation of contract authority	-1,560,192,000	-1,560,192,000	-1,560,192,000	-1,560,192,000
Budget authority	3,655,742,000	3,405,742,000	3,655,742,000	3,655,742,000
Limitation on administrative expenses	(32,000,000)	(31,500,000)	(32,000,000)	(32,000,000)
Public Law 480:				
Sales, Title I	427,400,000	400,000,000	420,000,000	420,000,000
Donations, Title II	559,200,000	500,000,000	515,000,000	500,000,000
Total, Public Law 480	986,600,000	900,000,000	935,000,000	920,000,000
Bartered materials for supplemental stockpile	1,500,000	750,000	1,250,000	1,250,000
Total, new budget (obligational) authority, Title III, Corporations	4,665,842,000	4,328,492,000	4,613,992,000	4,598,992,000

Agency and Item	1970 New (Obligational) Authority			
	1970	1970	1970	Conference
Budget Estimates	House Bill	Senate Bill		Report
RELATED AGENCIES:				
Farm Credit Administration:				
Limitation on administrative expenses	(3,628,000):	(3,628,000):	(3,628,000):	(3,628,000)
RECAPITULATION				
Title I - General Activities	1,961,088,050	1,881,416,000	2,398,958,650	2,263,389,150
Title II - Credit Agencies	610,632,000	596,747,000	629,847,000	626,522,000
Title III - Corporations	4,665,842,000	4,328,492,000	4,613,992,000	4,598,992,000
Total, New Budget (Obligational) Authority	7,237,562,050	6,806,655,000	7,642,797,650	7,488,903,150
Total, New Budget (Obligational) Authority	7,237,562,050	6,806,655,000	7,642,797,650	7,488,903,150
Less: Loan repayments, Rural Electrification Administration 3 ..	-189,300,000	-189,300,000	-189,300,000	-189,300,000
Net Total, New Budget (Obligational) Authority	7,048,262,050	6,617,355,000	7,453,497,650	7,299,603,150

Senate to the bill (H.R. 12829) to provide an extension of the interest equalization tax, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: Section 2 of the House bill amended section 4911(d) of the Internal Revenue Code of 1954 to extend the expiration date of the interest equalization tax from August 31, 1969, to March 31, 1971. The Senate amendment extended the expiration date of the tax from September 30, 1969, to March 31, 1971, reflecting the temporary extension of the tax which had occurred since House passage of the bill. The House recedes with a clarifying amendment.

Amendments Nos. 2 and 3: Section 4(e) (2) of the House bill added to section 4920 of the Code a new subsection (d), permitting a domestic financing company to elect to be treated as a foreign issuer or obligor for purposes of the interest equalization tax if it satisfies certain conditions; among other things the trade or business in which it is exclusively engaged must involve one or more specified types of debt obligations arising out of sales of tangible personal property. The Senate amendments added language permitting this election in a case where the debt obligations involved arise wholly or partly out of the lease of tangible personal property if at least 85 percent of the value of the property subject to the lease is attributable to the use of property manufactured, produced, grown, or extracted in the United States or to the performance of services by a United States person or to both. The House recedes.

Amendment No. 4: Section 4(e) of the House bill, in its amendment to section 4920 of the Code permitting a domestic financing company to elect to be treated as a foreign issuer or obligor for purposes of the interest equalization tax, required that such company own only certain specified types of debt obligations arising out of sales of tangible personal property. The Senate amendment added a provision allowing a financing company to own other debt obligations acquired in the course of, and incidental to carrying on, its financing company business, without losing its right to make such election. The House recedes.

Amendment No. 5: Section 4(e) of the House bill, in its amendment to section 4920 of the Code permitting a domestic financing company to elect to be treated as a foreign issuer or obligor for purposes of the interest equalization tax, allowed such company to treat its trade accounts and accrued liabilities as foreign funds out of which debt obligations may be acquired only in the case of accounts and liabilities which are payable within a period of 1 year of the date they were incurred or accrued. The Senate amendment added language extending this period from 1 to 3 years in the case of accrued foreign tax liabilities. The House recedes.

Amendment No. 6: The Senate amendment added to section 4 of the House bill a new subsection (1), amending section 4914(c) (6) of the Code to provide an exemption from the interest equalization tax (similar to the exemption presently provided in the case of export sales involving nonproducing exporters) where a United States person acquires a debt obligation of a foreign person which arises out of a lease of tangible personal property to such foreign person, if either (i) such debt obligation (or any related obligation arising out of the lease) is guaranteed or insured by a United States agency or instrumentality, or (ii) at least 85 percent of the value of the property is attributable to the use of tangible personal property which was manufactured or produced in the United States or to the performance of services with respect to the leased property under the terms of the least

by the United States persons (or an affiliated corporation) or to both. Thus, a United States person either could directly make such an export lease free of tax or could make a tax-free direct investment in a foreign corporation which engaged in such export leasing transactions. The new subsection (1) also amends section 4920(a) (1) of the Code to make it clear that an obligation arising under a lease entered into principally as a financing transaction is to be considered a debt obligation for interest equalization tax purposes; this provision would of course have no effect on the treatment or characterization of such a lease for income tax purposes. The House recedes.

Amendment No. 7: The Senate amendment added to the House bill a new section 5, adding to section 4182 of the Internal Revenue Code of 1954 a new subsection (c) relating to ammunition recordkeeping requirements. Under the Gun Control Act of 1968 and regulations issued thereunder, a person selling ammunition is required to obtain the purchaser's name, address, date of birth, and some form of identification, and to note certain additional information in his records. The new section 4182(c) in effect repeals these requirements in the case of sales of shotgun ammunition, ammunition suitable for use only in rifles generally available in commerce, or component parts thereof; purchases of ammunition presently interchangeable between rifles and handguns, such as .22 caliber rimfire ammunition, would continue to be subject to the recordkeeping requirements. The House recedes.

W. B. MILLS,
HALE BOGGS,
JOHN C. WATTS,
JOHN BYRNES,
JAMES B. UTT,

Managers on the Part of the House.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 11612, DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1970

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on H.R. 11612, making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 91-657)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11612) "making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 6, 9, 10, 11, 14, 18, 19, 24, 39, 41, 49, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 8, 13, 16, 17, 20, 21, 22, 23, 27, 28, 30, 31, 32, 33, 35, 36, 37, 38, 40, 42, 46, 48, 50, 53, 55, 56, 57, 58, and 60.

And agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment

insert "\$131,802,200"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$935,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$90,809,750"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,500,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$5,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$114,006,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$15,412,800"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$133,595,500"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$610,000,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$23,437,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$13,657,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,354,650"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$5,229,500"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amend-

ment insert "\$3,025,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,500,000"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,125,000"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$66,250,000"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "fifty-two (52)"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 12.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
W. R. HULL, Jr.,
GEORGE E. SHIPLEY,
FRANK E. EVANS,
GEORGE MAHON,
ODIN LANGEN,
ROBERT H. MICHEL

(with reservation on
amendment No. 48),

JACK EDWARDS,
FRANK T. BOW,

Managers on the Part of the House.

SPESSARD L. HOLLAND,
RICHARD B. RUSSELL,
JOHN STENNIS,
ALLEN J. ELLENDER,
ROMAN L. HRUSKA,
MILTON R. YOUNG,
KARL E. MUNDT,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments; namely:

DEPARTMENT OF AGRICULTURE

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

Amendment No. 1: Deletes the Senate proposal for construction of a new animal disease and parasite research facility at Beltsville, Maryland.

Amendment No. 2: Appropriates \$131,802,200 for research instead of \$130,182,000 as proposed by the House and \$134,452,000 as proposed by the Senate. The following tabulation indicates action of the conferees on items which were in conference:

Improve methods to control avian leukosis in poultry-----	\$875,000
Food and nutrition research:	
(a) Food and nutrition research studies-----	478,500
(b) Update handbook on nutrition "Family Fare"-----	(1)
Cane sugar refining research----	50,000
Bovine mastitis and abnormal milk research-----	554,200

Wholesaling and retailing research -----²(\$100,000)

Research acceleration: Development funds for the U.S. Meat Animal Research Center, Clay Center, Nebraska-----

967,100

Research on sunflowers to improve varieties with high oil content and to breed disease resistant and improved varieties -----

100,000

Improve research methods and controls on aquatic weeds-----

324,900

Completion of financing on Israeli oat research on Avena sterilis, and on oat foliage-----

82,000

Acceleration of cooperatively financed basic sugarcane research in Hawaii-----

60,000

Acceleration of sterile codling moth release program (3-year program) -----

308,200

Acceleration of research on Caribbean fruit fly-----

133,000

Upgrading quality of processed peaches -----

92,500

Pollution research concerned with animal waste management -----

661,800

Acceleration of special cost-cutting research program on cotton -----

2,761,000

Facilities:

Construction and modernization of research facilities, Beltsville, Maryland-----

*525,000

Senate additions for construction and improvement-----

0

Senate additions for planning---

0

¹ To be completed with available funds.

² From contingency research fund.

³ Additional funds for modernization only.

Amendment No. 3: Provides that \$935,000 of the appropriation for research shall remain available until expended instead of \$710,000 as proposed by the House and \$2,306,000 as proposed by the Senate.

Amendment No. 4: *Plant and animal disease and pest control.*—Appropriates \$90,809,750 instead of \$89,493,000 as proposed by the House and \$92,126,500 as proposed by the Senate. On items in disagreement between the two houses, the recommendation of the conferees provides for one-half of the Senate increase in each case. With reference to the cooperative fire ant eradication program, the conferees expect the Department to take every step possible to obtain matching funds. The conferees are in agreement with language in the Senate report stating that at least \$1,000,000 of funds in the contingency fund be reserved for control of plant and related insect pests.

Amendment No. 5: Provides that \$1,500,000 shall remain available until expended for construction of facilities instead of \$1,000,000 as proposed by the House and \$2,000,000 as proposed by the Senate.

Amendment No. 6: Deletes the Senate proposal with reference to the purchase or application of chemical pesticides.

Amendment No. 7: *Salaries and expenses. Special foreign currency program.*—Appropriates \$5,000,000 instead of \$4,500,000 as proposed by the House and \$5,500,000 as proposed by the Senate.

COOPERATIVE STATE RESEARCH SERVICE

Amendment No. 8: Appropriates \$55,189,000 for payments and expenses as proposed by the Senate instead of \$53,854,000 as proposed by the House.

Amendment No. 9: Provides \$2,000,000 for contracts and grants for scientific research as proposed by the House instead of \$2,150,000 as proposed by the Senate.

Amendment No. 10: Restores House language providing \$1,000,000 for grants for facilities.

Amendment No. 11: Provides \$376,000 for expenses of the Cooperative State Research

Service as proposed by the House instead of \$426,000 as proposed by the Senate.

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to provide a total amount of \$62,510,000.

EXTENSION SERVICE

Amendment No. 13: *Payments to States and Puerto Rico.*—Provides \$83,621,000 for payments for cooperative agricultural extension work as proposed by the Senate instead of \$82,006,000 as proposed by the House. The conferees are in agreement with the directive in the House report for the use of \$7,500,000 for professional workers to promote 4-H type programs in the depressed areas of our cities.

Amendment No. 14: Provides \$375,000 for payments under the District of Columbia Public Education Act as proposed by the House instead of \$500,000 as proposed by the Senate.

Amendment No. 15: Appropriates a total of \$114,006,000 instead of \$112,391,000 as proposed by the House and \$114,131,000 as proposed by the Senate.

Amendment No. 16: *Retirement and employees' compensation costs for extension agents.*—Appropriates \$10,240,000 as proposed by the Senate instead of \$10,000,000 as proposed by the House.

Amendment No. 17: *Federal Extension Service.*—Appropriates \$3,838,000 as proposed by the Senate instead of \$3,338,000 as proposed by the House.

FARMER COOPERATIVE SERVICE

Amendment No. 18: Appropriates \$1,500,000 for salaries and expenses as proposed by the House instead of \$1,635,000 as proposed by the Senate.

SOIL CONSERVATION SERVICE

Amendment No. 19: Appropriates \$6,209,000 for watershed planning as proposed by the House instead of \$5,000,000 as proposed by the Senate. The conferees are in agreement with the language of the House report directing that not less than 100 new plans be started during the coming year.

Amendment No. 20: Appropriates \$63,873,000 for watershed works of improvement as proposed by the Senate instead of \$57,873,000 as proposed by the House. The conferees are in agreement that not less than 80 new construction starts should be undertaken.

Amendment No. 21: Provides that \$5,000,000 in the direct loan account of the Farmers Home Administration shall be available until expended for loans instead of \$3,000,000 as proposed by the House.

Amendment No. 22: *Resource conservation and development.*—Appropriates \$10,252,000 as proposed by the Senate instead of \$7,452,000 as proposed by the House.

Amendment No. 23: Provides that \$3,300,000 shall remain available until expended for loans under subtitle A as proposed by the Senate instead of \$1,500,000 as proposed by the House.

ECONOMIC RESEARCH SERVICE

Amendment No. 24: Appropriates \$13,450,000 for salaries and expenses as proposed by the House instead of \$13,562,000 as proposed by the Senate.

STATISTICAL REPORTING SERVICE

Amendment No. 25: Appropriates \$15,412,800 for salaries and expenses instead of \$14,950,000 as proposed by the House and \$16,375,600 as proposed by the Senate. Included in the amount allowed is \$103,500 for probability surveys of farm grain stocks, \$358,000 for research to improve agricultural statistics, and \$160,300 to reinstate a number of crop and livestock estimates. The sum of \$250,000 is also provided to initiate a multiframe sampling program to improve the accuracy and reliability of livestock estimates; in addition, not to exceed \$250,000 is authorized for transfer from other livestock funds.

CONSUMER AND MARKETING SERVICE

Amendment No. 26: *Consumer protective, marketing, and regulatory programs.*—Appropriates \$133,595,500 instead of \$130,867,000 as proposed by the House and \$134,695,500 as proposed by the Senate. As for items in disagreement between the two Houses, the amount allowed will provide \$6,923,800 for market news service, \$80,000,000 for meat inspection, \$28,000,000 for poultry inspection, and \$2,896,500 for increased pay costs.

Amendment No. 27: *Child nutrition programs.*—Makes available \$252,441,000 as proposed by the Senate instead of \$247,441,000 as proposed by the House.

Amendment No. 28: Provides \$15,000,000 for special food service programs as proposed by the Senate instead of \$10,000,000 as proposed by the House.

Amendment No. 29: *Food stamp program.*—Appropriates \$610,000,000 instead of \$340,000,000 as proposed by the House and \$750,000,000 as proposed by the Senate.

Amendment No. 30: *Special milk program.*—Appropriates \$84,000,000 as proposed by the Senate.

Amendment Nos. 31 and 32: Insert language proposed by the Senate relative to the distribution of milk to children.

Amendment No. 33: Deletes the proposal of the House to provide \$120,000,000 from Section 32 funds for the special milk program.

As a result of action on Amendment Nos. 30 to 33, inclusive, a total of \$104,000,000 will be available for the special milk program as proposed by the Senate instead of \$120,000,000 as proposed by the House.

FOREIGN AGRICULTURAL SERVICE

Amendment No. 34: Appropriates \$23,437,000 for salaries and expenses instead of \$22,937,000 as proposed by the House and \$23,937,000 as proposed by the Senate. The additional \$500,000 is for new export market projects.

COMMODITY EXCHANGE AUTHORITY

Amendment No. 35: Appropriates \$2,321,000 for salaries and expenses as proposed by the Senate instead of \$2,100,000 as proposed by the House.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

Amendment No. 36: Appropriates \$146,000,000 for necessary administrative expenses as proposed by the Senate instead of \$147,420,000 as proposed by the House. The conferees take note of the restrictive standards established by the Department for the Farm Storage Facilities Loan Program, effective last May 30, and expect the Department to carefully review this program prior to next year's operations with a view to more adequately meeting the needs of producers. This program has been very effective in enabling farmers to step up their farm storage capacities and to assist in the stabilization of the rural economy.

Amendment No. 37: The House recedes from disagreement to the Senate amendment. This provision would apply only to crops planted in fiscal year 1970. The limitation provisions would not apply under the words of the House provision to sugar and wool and, since winter wheat has been planted, it was the view of the conferees that exemption from the limitations would have to be provided for winter wheat. Cotton would, in effect, be exempted by reason of the snap-back provision, paragraph 12 of section 103(d) of the Food and Agriculture Act of 1965, as amended, which provides:

"(12) Notwithstanding any other provision of this Act, if, as a result of limitations hereafter enacted with respect to price support under this subsection, the Secretary is unable to make available to all cooperators the full amount of price support to which they would otherwise be entitled under paragraphs (2) and (3) of this subsection for any crop of upland cotton, (A) price support to cooperators shall be made

available for such crop (if marketing quotas have not been disapproved) through loans or purchases at such level not less than 65 per centum nor more than 90 per centum of the parity price therefor as the Secretary determines appropriate. . . ."

This would leave the House limitation where it would apply only to feed grains and spring wheat, which would be most inequitable. In agreeing with the Senate amendment, it was the belief that this subject matter must of necessity have the consideration of the appropriate legislative committees and the Congress prior to December 31, 1970, the date of the expiration of existing agricultural legislation.

Amendment No. 38: *Sugar Act program.*—Appropriates \$93,000,000 as proposed by the Senate instead of \$89,500,000 as proposed by the House.

Amendment No. 39: *Agricultural conservation program.*—Sets a 1970 program for \$195,500,000 as proposed by the House instead of \$185,000,000 as proposed by the Senate. The conferees are agreed that the Department should give increased emphasis on practices to promote permanent soil and water conservation.

Amendment No. 40: *Cropland adjustment program.*—Appropriates \$78,600,000 as proposed by the Senate instead of \$78,000,000 as proposed by the House.

Amendment No. 41: Deletes the Senate proposal for a cropland adjustment program of \$99,300,000 for the calendar year 1970 and restores House language prohibiting additional agreements for the fiscal year 1970.

Amendment No. 42: *Conservation reserve program.*—Appropriates \$37,250,000 as proposed by the Senate instead of \$37,500,000 as proposed by the House.

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 43: Appropriates \$13,657,000 for salaries and expenses instead of \$13,389,000 as proposed by the House and \$13,925,000 as proposed by the Senate.

PACKERS AND STOCKYARDS ADMINISTRATION

Amendment No. 44: Appropriates \$3,354,650 for salaries and expenses instead of \$3,200,000 as proposed by the House and \$3,509,300 as proposed by the Senate.

OFFICE THE GENERAL COUNSEL

Amendment No. 45: Appropriates \$5,229,500 for salaries and expenses instead of \$5,000,000 as proposed by the House and \$5,459,000 as proposed by the Senate.

NATIONAL AGRICULTURAL LIBRARY

Amendment No. 46: Appropriates \$3,226,750 for salaries and expenses as proposed by the Senate instead of \$3,200,000 as proposed by the House.

OFFICE OF MANAGEMENT SERVICES

Amendment No. 47: Appropriates \$3,025,000 for salaries and expenses instead of \$3,000,000 as proposed by the House and \$3,050,000 as proposed by the Senate.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

Amendment No. 48: Provides loan authorization of \$340,000,000 for electrification loans as proposed by the Senate instead of \$320,000,000 as proposed by the House.

FARMERS HOME ADMINISTRATION

Amendment No. 49: *Direct loan account.*—Authorizes \$83,000,000 for real estate loans as proposed by the House instead of \$69,600,000 as proposed by the Senate.

Amendment No. 50: *Rural water and waste disposal grants.*—Appropriates \$46,000,000 as proposed by the Senate instead of \$40,000,000 as proposed by the House.

Amendment No. 51: *Rural housing for domestic farm labor.*—Appropriates \$2,500,000 instead of \$1,250,000 as proposed by the House and \$3,700,000 as proposed by the Senate. The conferees are in agreement that the program

should be directed toward housing for transient farm labor.

Amendment No. 52: *Mutual and self-help housing.*—Appropriates \$2,125,000 instead of \$1,250,000 as proposed by the House and \$3,000,000 as proposed by the Senate.

Amendment No. 53: *Self-help housing land development fund.*—Appropriates \$1,000,000 as proposed by the Senate instead of \$600,000 as proposed by the House.

Amendment No. 54: *Salaries and expenses.*—Appropriates \$66,250,000, instead of \$65,000,000 as proposed by the House and \$67,500,000 as proposed by the Senate.

TITLE III—CORPORATIONS

COMMODITY CREDIT CORPORATION

Amendment Nos. 55 and 56: Provide reimbursement to the Commodity Credit Corporation for net realized losses in the fiscal year 1968 of \$2,948,217,859 as proposed by the Senate instead of \$2,698,217,859 as proposed by the House.

Amendment No. 57: *Limitation on administrative expenses.*—Provides for not to exceed \$32,000,000 as proposed by the Senate instead of \$31,500,000 as proposed by the House.

Amendment No. 58: *Public Law 480.*—Appropriates \$420,000,000 for sales for foreign currencies and for dollars on credit terms (title I) as proposed by the Senate instead of \$400,000,000 as proposed by the House.

Amendment No. 59: Appropriates \$500,000,000 for commodities disposed of in connection with donations abroad (title II) as proposed by the House instead of \$515,000,000 as proposed by the Senate.

Amendment No. 60: *Bartered materials for supplemental stockpile.*—Appropriates \$1,250,000 as proposed by the Senate instead of \$750,000 as proposed by the House. The conferees are agreed that all of the funds are to be used for liquidating existing contracts.

TITLE V—GENERAL PROVISIONS

Amendment No. 61: Permits the purchase of 552 passenger motor vehicles instead of 530 as proposed by the House and 566 as proposed by the Senate.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
W. R. HULL, Jr.,
GEORGE E. SHIPLEY,
FRANK E. EVANS,
GEORGE MAHON,
ODIN LANGEN,
ROBERT H. MICHEL
(with reservation on
amendment No. 48),
JACK EDWARDS,
FRANK T. BOW,

Managers on the Part of the House.

THE VICE PRESIDENT'S REMARKS
ON THE PUBLIC SERVICE OF MR.
HARRIMAN

(Mr. OBEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. OBEY. Mr. Speaker, recent remarks by the Vice President, especially as they attempted to downgrade and tarnish the record of a man who has given some 40 years of diligent service around the globe in behalf of our country, including the successful negotiation of the Nuclear Test Ban Treaty, emphasizes once again how important it is in a democratic society to try to maintain respect for a given public high office, no matter how difficult the conduct of the person who temporarily occupies that high office might make it.

Many of us in both political parties would like to give this administration all the support we can, consistent with

the dictates of our consciences and what we can see to be in the best interests of the United States. But that task is made difficult by the surly and graceless conduct of the Vice President.

The difficulty with this administration is that it seems to be hell-bent on forcing each and every American citizen to choose between it and its views and other prominent Americans with somewhat differing views—on Vietnam and many other matters. This is a strange tactic for an administration with the avowed goal of "bringing us together again."

I, for one, feel that it would be better if our people were not forced to draw hard lines, were not forced to choose between such fully divided camps. I feel it would be better to enable them to support the best ideas and the best programs of both the administration and others who in good faith present various alternatives.

However, if I must choose between expressing support for the public service of our Vice President or the public service of Mr. Harriman, the Vice President leaves me little alternative but to choose Mr. Harriman. I believe the editorial which recently appeared in the Washington Post, which I should like to include at this point, indicates the sensitivity and judgment of the one man and the graceless disregard for that man's contributions to our country by the other, who by virtue of the office he occupies, if nothing else, should know better.

The editorial follows:

FOR THE RECORD

"... a very carefully thought out speech by the President of the United States. I'm sure he wants to end this war and no one wishes him well any more than I do. He approaches the subject quite differently from the manner in which I approach it. Let me say, though, that I'm utterly opposed to these people that are talking about cutting and running. I'm against the Republican Senator from New York's proposal, Senator Goodell, to get out our troops in a year willy-nilly. I think we should have a responsible withdrawal.

"I think he's (the President) got the full support of the people. He certainly has got my support, in hoping he will develop a program for peace... this (speech) is about what I thought he would say from the positions he had previously taken."

The passages quoted above are just about all that Mr. W. Averell Harriman had to say directly about President Nixon's famous Vietnam speech on Nov. 3, when he was interviewed directly afterward by commentators for ABC. He had other things to say, of course, about the way he thinks we ought to try to get out of the war, things he had said many, many times before, things critical, largely by implication, not only of the current administration's efforts, but of the efforts of the previous administration for which Mr. Harriman served as chief negotiator in the Paris peace talks. If anything, he was tougher on the old crowd than the new, harder on Democrats than Republicans, which does not come easily to this, shall we say, intense political partisan.

For this Mr. Harriman became, in the Vice President's phrase, an "Ancient Mariner... under some heavy compulsion to justify his failures to anyone who will listen." As Mr. Agnew put it, in his own inimitable way, and *en passant* in his assault on the television networks the other night, "Mr. Harriman offered a broad range of gratuitous advice—challenging and contradicting the

policies outlined by the President of the United States."

All this was by way of trying to establish the bias in television news presentation and we have already had something to say about Mr. Agnew's approach to this issue, and will doubtless return to it. For now it is enough to take note of how the Vice President performs when he holds forth on television from his privileged sanctuary. Raised eyebrows, an inflection of the voice, a caustic remark dropped in the middle of a broadcast, these tricks he ascribes to the TV men are not for the Vice President. Better the sweeping rewrite of history "A word about Mr. Harriman. For 10 months he was America's chief negotiator at the Paris peace talks—a period in which the United States swapped some of the greatest concessions in the history of warfare for an enemy agreement on the shape of a bargaining table." Where to begin untangling it—with the fact that a two-stage halt in the bombing had nothing to do with the dispute over the shape of the table? With the fact that final renunciation of this rather dubious military instrument was made in exchange for an understanding that the Demilitarized Zone would not be violated, that indiscriminate shelling of major cities would stop, and that four-way talks, including the South Vietnamese and the North Vietnamese, would begin? Does Mr. Agnew not know that the argument over the table shape was precipitated by the Saigon government and settled with the active behind-the-scenes collaboration of the incoming Nixon administration in the closing days of Mr. Johnson's term? The most generous answer that we can think of is that he does not.

CONGRESS MUST CENSURE THOSE WHO THREATEN FREEDOM OF THE PRESS

(Mr. OTTINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OTTINGER. Mr. Speaker, I am deeply disturbed by the recent attempts of the Nixon administration to stifle disagreement with its policies and to attack the freedom of the press to report such disagreements.

The freedom to criticize our Government by individuals and the press is fundamental to our democracy. We are quick to express our outrage when other governments trample these basic rights. Indeed, one of our major complaints against Communist societies is their repression of dissent and their harnessing of the press.

I call on the President to repudiate statements by his Vice President equating disagreement and disloyalty, by his Secretary of Transportation calling dissenters Communists or Communist-inspired, and actions by his Vice President and the chairman of the FCC attacking the radio and television networks' freedom to criticize. By his acquiescence in these actions, the President assumes responsibility for them and participates in their insidious threat to democracy.

It is no answer to say that the Vice President and Dean Burch were only calling upon the television networks to reform themselves. Attacking network commentaries on the President's Vietnam speech and demanding transcripts of the news analyses of that speech were acts of blatant intimidation. Indeed, from the lack of live network coverage of last week's Vietnam protest events, it is quite

clear that their intimidation already has had its effect.

If the President will not act to stop his lieutenants from trampling on our basic freedoms, the Congress must. I hope all my colleagues, whatever their views may be on the merits of the President's Vietnam proposals, will unite in calling forcefully for an end to these attacks on our free institutions.

Not since the days of Senator Joseph McCarthy have we seen such a concerted effort to condemn disagreement and criticism of Government policies.

In the end Senator McCarthy was censured for his excesses by the Senate. Since the threat to our freedoms comes now from the highest levels of Government the censure by Congress must be all the more swift and certain.

TRANSPORTATION AND THE NATION'S PARKS

(Mr. SAYLOR asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, the Department of Transportation appropriation bill is under debate this week; apropos of that, an article in the November 16 issue of the Washington Post deserves careful attention. Wolf Von Eckardt points up the dangers facing the nation's parks, recreation areas, and historical shrines unless DOT Secretary Volpe learns to temper the freeway fanatics in his agency. The article focused in a recent and symptomatic DOT decision which would pave over two parks, a stadium, a college, a zoo, a sunken garden area, hiking trails, and other recreation areas in San Antonio, Tex.

Irrespective of the 1966 Transportation Act provisions designed to protect public lands threatened by the almighty bulldozer, Secretary Volpe has caught the pave-or-perish virus and appears willing to flatten our national and natural treasures under ribbons of gleaming highways. Perhaps now is the time, when DOT is pressing its claim on the National Treasury, to get it straight, once and for all, ground rules for highway building. One of those ground rules must be the human and environmental necessities which transcend the need for asphalt avenues to and from urban areas. Another ground rule should be established which would require developers to pay a fair market value for any land proposed for highways and that funds received from such sales be deposited in the land and water conservation fund for the purchase of additional or new park and recreation areas. If something is not done to slow down the headlong rush to pave America solid, no public lands will be safe from the bulldozer blade.

The Von Eckardt article follows:

PAVING OUR PARKS

(By Wolf Von Eckardt)

The 10-month-long seesaw battle for the heart and mind of Transportation Secretary John A. Volpe seems lost.

Volpe reportedly has decided to approve a long controversial freeway in San Antonio which would pave some 150 acres of Brackenridge and Olmos Park, the Alamo Stadium, Incarnate Word College, a zoo, the famous

MAKING APPROPRIATIONS FOR THE DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES

NOVEMBER 18, 1969.—Ordered to be printed

Mr. WHITTEN, from the committee of conference, submitted the
following

CONFERENCE REPORT

[To accompany H.R. 11612]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 6, 9, 10, 11, 14, 18, 19, 24, 39, 41, 49, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 8, 13, 16, 17, 20, 21, 22, 23, 27, 28, 30, 31, 32, 33, 35, 36, 37, 38, 40, 42, 46, 48, 50, 53, 55, 56, 57, 58, and 60, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$131,802,200; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$935,000; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$90,809,750; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,500,000; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$5,000,000; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$114,006,000; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$15,412,800; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$133,595,500; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$610,000,000; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$23,437,000; and the Senate agree to the same.

Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$13, 657,000; and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,354,650; and the Senate agree to the same.

Amendment numbered 45:

That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$5,229,500; and the Senate agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,025,000; and the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$2,500,000; and the Senate agree to the same.

Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$2,125,000; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$66,250,000; and the Senate agree to the same.

Amendment numbered 61:

That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *fifty-two (52)*; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 12.

JAMIE L. WHITTEN,
 WILLIAM H. NATCHER,
 W. R. HULL, Jr.,
 GEORGE E. SHIPLEY,
 FRANK E. EVANS,
 GEORGE MAHON,
 ODIN LANGEN,
 ROBERT H. MICHEL (with
 reservation on
 amendment No. 48),
 JACK EDWARDS,
 FRANK T. BOW,

Managers on the Part of the House.

SPESSARD L. HOLLAND,
 RICHARD B. RUSSELL,
 JOHN STENNIS,
 ALLEN J. ELLENDER,
 ROMAN L. HRUSKA,
 MILTON R. YOUNG,
 KARL E. MUNDT,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments; namely:

DEPARTMENT OF AGRICULTURE

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

Amendment No. 1: Deletes the Senate proposal for construction of a new animal disease and parasite research facility at Beltsville, Md.

Amendment No. 2: Appropriates \$131,802,200 for research instead of \$130,182,000 as proposed by the House and \$134,452,000 as proposed by the Senate. The following tabulation indicates action of the conferees on items which were in conference:

Improve methods to control avian leukosis in poultry-----	\$875, 000
Food and nutrition research:	
(a) Food and nutrition research studies-----	478, 500
(b) Update handbook on nutrition "Family Fare"-----	(1)
Cane sugar refining research-----	50, 000
Bovine mastitis and abnormal milk research-----	554, 200
Wholesaling and retailing research-----	2 (100, 000)
Research acceleration: Development funds for the U.S. Meat Animal Research Center, Clay Center, Nebr-----	967, 100
Research on sunflowers to improve varieties with high oil content and to breed disease resistant and improved varieties-----	100, 000
Improve research methods and controls on aquatic weeds-----	324, 900
Completion of financing on Israeli oat research on <i>Avena sterilis</i> , and on oat foliage-----	82, 000
Acceleration of cooperatively financed basic sugarcane research in Hawaii-----	60, 000
Acceleration of sterile codling moth release program (3-year program)-----	308, 200
Acceleration of research on Caribbean fruit fly-----	133, 000
Upgrading quality of processed peaches-----	92, 500
Pollution research concerned with animal waste management-----	661, 800
Acceleration of special cost-cutting research program on cotton-----	2, 761, 000
Facilities:	
Construction and modernization of research facilities, Beltsville, Md-----	3 525, 000
Senate additions for construction and improvement-----	0
Senate additions for planning-----	0

¹ To be completed with available funds.

² From contingency research fund.

³ Additional funds for modernization only.

Amendment No. 3: Provides that \$935,000 of the appropriation for research shall remain available until expended instead of \$710,000 as proposed by the House and \$2,306,000 as proposed by the Senate.

Amendment No. 4: *Plant and animal disease and pest control.*—Appropriates \$90,809,750 instead of \$89,493,000 as proposed by the House and \$92,126,500 as proposed by the Senate. On items in disagreement between the two Houses, the recommendation of the conferees provides for one-half of the Senate increase in each case. With reference to the cooperative fire ant eradication program, the conferees expect the Department to take every step possible to obtain matching funds. The conferees are in agreement with language in the Senate report stating that at least \$1 million of funds in the contingency fund be reserved for control of plant and related insect pests.

Amendment No. 5: Provides that \$1,500,000 shall remain available until expended for construction of facilities instead of \$1 million as proposed by the House and \$2 million as proposed by the Senate.

Amendment No. 6: Deletes the Senate proposal with reference to the purchase or application of chemical pesticides.

Amendment No. 7: *Salaries and expenses, special foreign currency program.*—Appropriates \$5 million instead of \$4,500,000 as proposed by the House and \$5,500,000 as proposed by the Senate.

COOPERATIVE STATE RESEARCH SERVICE

Amendment No. 8: Appropriates \$55,189,000 for payments and expenses as proposed by the Senate instead of \$53,854,000 as proposed by the House.

Amendment No. 9: Provides \$2 million for contracts and grants for scientific research as proposed by the House instead of \$2,150,000 as proposed by the Senate.

Amendment No. 10: Restores House language providing \$1 million for grants for facilities.

Amendment No. 11: Provides \$376,000 for expenses of the Cooperative State Research Service as proposed by the House instead of \$426,000 as proposed by the Senate.

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to provide a total amount of \$62,510,000.

EXTENSION SERVICE

Amendment No. 13: *Payments to States and Puerto Rico.*—Provides \$83,621,000 for payments for cooperative agricultural extension work as proposed by the Senate instead of \$82,006,000 as proposed by the House. The conferees are in agreement with the directive in the House report for the use of \$7,500,000 for professional workers to promote 4-H type programs in the depressed areas of our cities.

Amendment No. 14: Provides \$375,000 for payments under the District of Columbia Public Education Act as proposed by the House instead of \$500,000 as proposed by the Senate.

Amendment No. 15: Appropriates a total of \$114,006,000 instead of \$112,391,000 as proposed by the House and \$114,131,000 as proposed by the Senate.

Amendment No. 16: *Retirement and employees' compensation costs for extension agents.*—Appropriates \$10,240,000 as proposed by the Senate instead of \$10 million as proposed by the House.

Amendment No. 17: *Federal Extension Service.*—Appropriates \$3,838,000 as proposed by the Senate instead of \$3,338,000 as proposed by the House.

FARMER COOPERATIVE SERVICE

Amendment No. 18: Appropriates \$1,500,000 for salaries and expenses as proposed by the House instead of \$1,635,000 as proposed by the Senate.

SOIL CONSERVATION SERVICE

Amendment No. 19: Appropriates \$6,209,000 for watershed planning as proposed by the House instead of \$5 million as proposed by the Senate. The conferees are in agreement with the language of the House report directing that not less than 100 new plans be started during the coming year.

Amendment No. 20: Appropriates \$63,873,000 for watershed works of improvement as proposed by the Senate instead of \$57,873,000 as proposed by the House. The conferees are in agreement that not less than 80 new construction starts should be undertaken.

Amendment No. 21: Provides that \$5 million in the direct loan account of the Farmers Home Administration shall be available until expended for loans instead of \$3 million as proposed by the House.

Amendment No. 22: *Resource conservation and development.*—Appropriates \$10,252,000 as proposed by the Senate instead of \$7,452,000 as proposed by the House.

Amendment No. 23: Provides that \$3,300,000 shall remain available until expended for loans under subtitle A as proposed by the Senate instead of \$1,500,000 as proposed by the House.

ECONOMIC RESEARCH SERVICE

Amendment No. 24: Appropriates \$13,450,000 for salaries and expenses as proposed by the House instead of \$13,562,000 as proposed by the Senate.

STATISTICAL REPORTING SERVICE

Amendment No. 25: Appropriates \$15,412,800 for salaries and expenses instead of \$14,950,000 as proposed by the House and \$16,375,600 as proposed by the Senate. Included in the amount allowed is \$103,500 for probability surveys of farm grain stocks, \$358,000 for research to improve agricultural statistics, and \$160,300 to reinstate a number of crop and livestock estimates. The sum of \$250,000 is also provided to initiate a multiframe sampling program to improve the accuracy and reliability of livestock estimates; in addition, not to exceed \$250,000 is authorized for transfer from other livestock funds.

CONSUMER AND MARKETING SERVICE

Amendment No. 26: *Consumer protective, marketing, and regulatory programs.*—Appropriates \$133,595,500 instead of \$130,867,000 as proposed by the House and \$134,695,500 as proposed by the Senate.

As for items in disagreement between the two Houses, the amount allowed will provide \$6,923,800 for market news service, \$80 million for meat inspection, \$28 million for poultry inspection, and \$2,896,500 for increased pay costs.

Amendment No. 27: *Child nutrition programs*.—Makes available \$252,441,000 as proposed by the Senate instead of \$247,441,000 as proposed by the House.

Amendment No. 28: Provides \$15 million for special food service programs as proposed by the Senate instead of \$10 million as proposed by the House.

Amendment No. 29: *Food stamp program*.—Appropriates \$610 million instead of \$340 million as proposed by the House and \$750 million as proposed by the Senate.

Amendment No. 30: *Special milk program*.—Appropriates \$84 million as proposed by the Senate.

Amendment Nos. 31 and 32: Insert language proposed by the Senate relative to the distribution of milk to children.

Amendment No. 33: Deletes the proposal of the House to provide \$120 million from section 32 funds for the special milk program.

As a result of action on amendment Nos. 30 to 33, inclusive, a total of \$104 million will be available for the special milk program as proposed by the Senate instead of \$120 million as proposed by the House.

FOREIGN AGRICULTURAL SERVICE

Amendment No. 34: Appropriates \$23,437,000 for salaries and expenses instead of \$22,937,000 as proposed by the House and \$23,937,000 as proposed by the Senate. The additional \$500,000 is for new export market projects.

COMMODITY EXCHANGE AUTHORITY

Amendment No. 35: Appropriates \$2,321,000 for salaries and expenses as proposed by the Senate instead of \$2,100,000 as proposed by the House.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

Amendment No. 36: Appropriates \$146 million for necessary administrative expenses as proposed by the Senate instead of \$147,420,000 as proposed by the House. The conferees take note of the restrictive standards established by the Department for the farm storage facilities loan program, effective last May 30, and expect the Department to carefully review this program prior to next year's operations with a view to more adequately meeting the needs of producers. This program has been very effective in enabling farmers to step up their farm storage capacities and to assist in the stabilization of the rural economy.

Amendment No. 37: The House recedes from disagreement to the Senate amendment. This provision would apply only to crops planted in fiscal year 1970. The limitation provisions would not apply under the words of the House provision to sugar and wool, and, since winter wheat has been planted, it was the view of the conferees that exemption from the limitations would have to be provided for winter wheat.

Cotton would, in effect, be exempted by reason of the snapback provision, paragraph 12 of section 103(d) of the Food and Agriculture Act of 1965, as amended, which provides:

(12) Notwithstanding any other provision of this Act, if, as a result of limitations hereafter enacted with respect to price support under this subsection, the Secretary is unable to make available to all cooperators the full amount of price support to which they would otherwise be entitled under paragraphs (2) and (3) of this subsection for any crop of upland cotton, (A) price support to cooperators shall be made available for such crop (if marketing quotas have not been disapproved) through loans or purchases at such level not less than 65 per centum nor more than 90 per centum of the parity price therefor as the Secretary determines appropriate * * *.

This would leave the House limitation where it would apply only to feed grains and Spring wheat, which would be most inequitable. In agreeing with the Senate amendment, it was the belief that this subject matter must of necessity have the consideration of the appropriate legislative committees and the Congress prior to December 31, 1970, the date of the expiration of existing agricultural legislation.

Amendment No. 38: *Sugar Act program*.—Appropriates \$93 million as proposed by the Senate instead of \$89,500,000 as proposed by the House.

Amendment No. 39: *Agricultural conservation program*.—Sets a 1970 program for \$195,500,000 as proposed by the House instead of \$185 million as proposed by the Senate. The conferees are agreed that the Department should give increased emphasis on practices to promote permanent soil and water conservation.

Amendment No. 40: *Cropland adjustment program*.—Appropriates \$78,600,000 as proposed by the Senate instead of \$78 million as proposed by the House.

Amendment No. 41: Deletes the Senate proposal for a cropland adjustment program of \$99,300,000 for the calendar year 1970 and restores House language prohibiting additional agreements for the fiscal year 1970.

Amendment No. 42: *Conservation reserve program*.—Appropriates \$37,250,000 as proposed by the Senate instead of \$37,500,000 as proposed by the House.

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 43: Appropriates \$13,657,000 for salaries and expenses instead of \$13,389,000 as proposed by the House and \$13,925,000 as proposed by the Senate.

PACKERS AND STOCKYARDS ADMINISTRATION

Amendment No. 44: Appropriates \$3,354,650 for salaries and expenses instead of \$3,200,000 as proposed by the House and \$3,509,300 as proposed by the Senate.

OFFICE OF THE GENERAL COUNSEL

Amendment No. 45: Appropriates \$5,229,500 for salaries and expenses instead of \$5 million as proposed by the House and \$5,459,000 as proposed by the Senate.

NATIONAL AGRICULTURAL LIBRARY

Amendment No. 46: Appropriates \$3,226,750 for salaries and expenses as proposed by the Senate instead of \$3,200,000 as proposed by the House.

OFFICE OF MANAGEMENT SERVICES

Amendment No. 47: Appropriates \$3,025,000 for salaries and expenses instead of \$3 million as proposed by the House and \$3,050,000 as proposed by the Senate.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

Amendment No. 48: Provides loan authorization of \$340 million for electrification loans as proposed by the Senate instead of \$320 million as proposed by the House.

FARMERS HOME ADMINISTRATION

Amendment No. 49: *Direct loan account.*—Authorizes \$83 million for real estate loans as proposed by the House instead of \$69,600,000 as proposed by the Senate.

Amendment No. 50: *Rural water and waste disposal grants.*—Appropriates \$46 million as proposed by the Senate instead of \$40 million as proposed by the House.

Amendment No. 51: *Rural housing for domestic farm labor.*—Appropriates \$2,500,000 instead of \$1,250,000 as proposed by the House and \$3,700,000 as proposed by the Senate. The conferees are in agreement that the program should be directed toward housing for transient farm labor.

Amendment No. 52: *Mutual and self-help housing.*—Appropriates \$2,125,000 instead of \$1,250,000 as proposed by the House and \$3 million as proposed by the Senate.

Amendment No. 53: *Self-help housing land development fund.*—Appropriates \$1 million as proposed by the Senate instead of \$600,000 as proposed by the House.

Amendment No. 54: *Salaries and expenses.*—Appropriates \$66,250,000 instead of \$65 million as proposed by the House and \$67,500,000 as proposed by the Senate.

TITLE III—CORPORATIONS

COMMODITY CREDIT CORPORATION

Amendment Nos. 55 and 56: Provide reimbursement to the Commodity Credit Corporation for net realized losses in the fiscal year 1968 of \$2,948,217,859 as proposed by the Senate instead of \$2,698,217,859 as proposed by the House.

Amendment No. 57: *Limitation on administrative expenses*.—Provides for not to exceed \$32 million as proposed by the Senate instead of \$31,500,000 as proposed by the House.

Amendment No. 58: *Public Law 480*.—Appropriates \$420 million for sales for foreign currencies and for dollars on credit terms (title I) as proposed by the Senate instead of \$400 million as proposed by the House.

Amendment No. 59: Appropriates \$500 million for commodities disposed of in connection with donations abroad (title II) as proposed by the House instead of \$515 million as proposed by the Senate.

Amendment No. 60: *Bartered materials for supplemental stockpile*.—Appropriates \$1,250,000 as proposed by the Senate instead of \$750,000 as proposed by the House. The conferees are agreed that all of the funds are to be used for liquidating existing contracts.

TITLE V—GENERAL PROVISIONS

Amendment No. 61: Permits the purchase of 552 passenger motor vehicles instead of 530 as proposed by the House and 566 as proposed by the Senate.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
W. R. HULL, Jr.,
GEORGE E. SHIPLEY,
FRANK E. EVANS,
GEORGE MAHON,
ODIN LANGEN,
ROBERT H. MICHEL (with
reservation on
amendment No. 48),
JACK EDWARDS,
FRANK T. BOW,
Managers on the Part of the House.

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INDEX of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
FOR INFORMATION ONLY;
(NOT TO BE QUOTED OR CITED)

For actions of Nov. 19, 1969
91st-1st; No. 191

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HIGHLIGHTS: Both Houses agreed to conference report on agricultural appropriations bill. House concluded general debate on foreign aid bill. House subcommittee approved international quarantine station bill.

SENATE

1. AGRICULTURAL APPROPRIATION BILL. Both Houses (House, 214-172) agreed to the conference report on H. R. 11612, the agricultural appropriations bill, 1970, and acted on amendments in disagreement (pp. H11082-97, S14673-80). See Digest 190 for a table reflecting the changes agreed upon by the conferees.
2. SELECTIVE SERVICE. Passed without amendment H. R. 14001, to amend the Military Selective Service Act of 1967 to authorize modifications of the system of selecting persons for induction into the Armed Forces (pp. S14632-41). This bill will now be sent to the President.
3. POLLUTION. Sen. Gore criticized failure to place pollution from electric power generating plants in proper perspective. pp. S14613-4
4. ENVIRONMENT. Sen. Nelson inserted an editorial, "What Can Be Done About This Horror Picture That We Are Making Out of Our Environment?" pp. S14614-5
Sen. Moss inserted an advertisement, "Now Is the Time for All Good Men to Come to the Aid of Their Planet." pp. S14615-6
Sen. Tydings inserted his testimony regarding the proposed nuclear power plant at Calvert Cliffs, Md., in which he spoke in support of his bill to require certification, consistent with established water quality standards, of permits required for water withdrawals affected with a federal interest. pp. S14618-28
5. POVERTY. Sen. Byrd, W. Va., commended Summerville, W. Va., for turning the tables on poverty and inserted flattering articles. pp. S14628-9

HOUSE

6. SUBSIDY PAYMENTS. Reps. Findley and Conte expressed concern that the subsidy payments limitation was deleted from the agricultural appropriations bill. pp. H11073, H11073-4
7. APPALACHIA. Agreed to the conference report on S. 1072, to provide for the renewal and extension of title V of the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965. This bill will now be sent to the President. pp. H11074-82
8. FEDERAL AID. The Government Operations Committee reported H. R. 14517, to provide temporary authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for the operation of those projects (H. Rept. 91-659). p. H11173
9. FOREIGN AID. Concluded general debate on H. R. 14580, the foreign aid bill. The resolution for consideration of the bill was agreed to earlier. pp. H11096-132
10. QUARANTINE STATION. A Subcommittee of the Agriculture Committee approved for full committee consideration H. R. 11832, to provide for the establishment of an international quarantine station. p. D1092

legal scholar and as an intelligent, capable and informed judge. (Hearings, pp. 236-237).

Judging from all the records, the data, the testimony, and from my observations of the nominee when he appeared before the committee, I am inclined to agree with this estimation.

I believe that Judge Haynsworth is indeed a man who is admirably suited to the high judicial office to which he has been named; that he possesses an outstanding judicial temperament by which he deals with controversial and complex legal problems with absolute intellectual honesty and in a scholarly fashion.

I find the nominee to be a man of high moral character.

Canon 34 provides an exceedingly high standard to be met by our judiciary as follows:

In every particular his conduct should be above reproach. He should be conscientious, studious, thorough, courteous, patient, punctual, just, impartial, fearless of public clamor, regardless of public praise, and indifferent to private political or partisan influences; he should administer justice according to the law, and deal with his appointments as a public trust; he should not allow other affairs or his private interest to interfere with the prompt and proper performance of his judicial duties, nor should he administer the office for the purpose of advancing his personal ambitions or increasing his popularity.

In my careful, searching review of the record I have firmly concluded that Judge Clement F. Haynsworth has in every respect lived up to these standards of excellence. In my considered judgment, not a shred of evidence has been advanced to overcome the substantial presumption of Judge Haynsworth's competence, integrity, capability, and fair-mindedness to sit as Associate Judge of the U.S. Supreme Court. I have found that he has met the constitutional standard of fitness. It is my hope that the Senate will vote to confirm his nomination to the Supreme Court of the United States.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. FONG. I yield.

Mr. ALLOTT. Mr. President, I compliment the distinguished Senator from Hawaii on his very lucid explanation of these matters, and particularly of the matters that grow out of the so-called labor aspects of the case.

We are all indebted to the distinguished Senator from Hawaii for his explanation of these matters because we all know him to be one of the outstanding lawyers in the Senate, as he has proven during his whole professional career.

I was just reviewing again in the record the Vend-A-Matic situation. The Vend-A-Matic situation begins in the record on page 2 of the hearings.

Mr. FONG. It came up very early in the course of the committee hearings.

Mr. ALLOTT. On page 2 of the hearings, the question of Vend-A-Matic was raised. And it continued through page 34. After that, of course, it came up several other times. And this is not the conventional printing either. Nearly all of this is in the very small type that is reserved for inserts in the record.

I think it is appropriate to call attention to the fact at this time that the whole Vend-A-Matic matter was raised by an alleged anonymous telephone call. I think the Senator would agree with me that from the viewpoint of his practice and his experience in the Senate, about the last thing that deserves creditable consideration is an anonymous phone call. I have never yet found one that bore any credence.

So, after Miss Patricia Eames called this to the attention of Judge Sobeloff—in passing I might comment that I am not sure whether it was her duty to call it to the attention of the judge, rather than that of the federal bar—The whole fabrication of the Vend-A-Matic situation was formed ultimately on the basis of an anonymous telephone call.

Mr. FONG. The Senator is correct. It was on the basis of an anonymous telephone call.

Mr. ALLOTT. And this caused all of the letters to the judge, the investigation and report, the referral to the Attorney General, and the findings of the Attorney General. In his letter of February 28 to Judge Sobeloff the Attorney General said:

I share your expression of complete confidence in Judge Haynsworth.

Yet, we find this matter raised in such a way through the news media that it becomes an established fact, which has taken weeks now to disabuse, that somehow or other Judge Haynsworth had done something improper.

I think the Senator's statement on this matter has rendered a very valuable service for the Senate. I wish that everyone who is prone to condemn Judge Haynsworth on this one item or on any of the other items would merely take the time and trouble to read the RECORD.

I am reminded in this respect of what has been a stock instruction to the juries in our Colorado courts on the value of evidence, to the effect that, "If you find from the evidence that any witness has deliberately testified falsely to any material fact, you are at liberty to disregard all of his testimony."

It seems to me that a close parallel may be brought here with respect to people who were willing in this case to raise in order to serve their own self-interests a question as to the character and ability of the judge and thus to try to put a black cloud on him, which they were not able to do. They had to admit later that they had tried to do so wrongly.

In calling these things to the attention of the American public to demonstrate the real situation, the Senator has indeed been of very valuable service to the Senate and to the country.

I congratulate him.

Mr. FONG. Mr. President, I thank the distinguished Senator for calling attention to the Darlington case, because that case was really a very far-fetched case relied upon by those opposed to the nomination of Judge Haynsworth. Judge Haynsworth had no direct interest in Darlington.

He owned no Darlington stock. All he had was an interest in a company that did business with Darlington—in other

words, a third-party interest which was not involved in the case at all. How, then, can he be accused of a conflict of interest?

Even if this matter had come to the attention of the litigants and of the judges at the time the case was heard, Judge Haynsworth would have been compelled by law and by all the legal precedents to sit in the case. He was compelled to sit, according to law, because he did not have a "substantial interest" in the defendant's case.

Mr. ALLOTT. I think this is entirely true. I congratulate the Senator. His remarks have been very lucid, and I wish everyone in the country could have an opportunity to read them.

Mr. FONG. I thank the distinguished senior Senator.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1970—CONFERENCE REPORT

Mr. HOLLAND. Mr. President, as in legislative session I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of November 18, 1969, pages H11035-H11036, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HOLLAND. Mr. President, this is a unanimous report signed by all conferees of both Houses.

Mr. President, I shall not report on the details of the conference agreement, since the full text of the conference report and the statement of the managers on the part of the House has been printed as House Report 91-657, and appears in the CONGRESSIONAL RECORD beginning on page H11035.

Mr. President, the Senate passed the agricultural appropriation bill on July 7. The bill as passed by the Senate contained 61 different numbered amendments, comprised of 104 individual differences. The House appointed its conferees on October 9, and the conference committee began meeting on October 22.

After four meetings, the conference committee agreed to recess pending the completion of action on House Joint Resolution 934, an authorization to increase the ceiling for the food stamp program during fiscal year 1970 from \$340 to \$610 million.

The President signed House Joint Resolution 934 on November 13, and on November 14 transmitted to the Congress

in Senate Document 91-42, an amendment to the budget for the increased food stamp program authorization.

The conference committee met again yesterday, in the morning and again in the afternoon, and reached final agreement.

Mr. President, in recognizing the need to economize in Federal expenditures, plus the fact that almost 5 months of the current year have elapsed, many of the items in conference have been reduced to reflect these factors.

SUMMARY TOTALS

The conference agreement on the bill totals \$7,488,903,150. This is \$715,613,500 under the 1969 appropriation and is \$251,341,100 over the 1970 estimates, including the budget amendment of \$270 million transmitted to the Senate in Senate Document 91-42. The two items which cause the conference bill to be over the estimates are the continuation of the agricultural conservation program and the special milk program, which I will refer to again in my statement.

Mr. President, I will deal only briefly with a few items of general interest to Members of the Senate in my statement on the conference report. After its adoption, I will offer for the record a detailed comparative tabulation showing each appropriation item, compared with the prior year, the 1970 estimate, and the actions of the Congress through the conference agreement.

FOOD STAMP PROGRAM AND FOOD ASSISTANCE

As I indicated earlier, the conference agreement provided \$610 million for operating expenses of the food stamp program this fiscal year. This is the amount requested by the Department of Agriculture and the amount authorized in Senate Joint Resolution 934, which was agreed to in the Senate on last November 6.

The Department advises that approximately 200 counties will be added to the program during the year, bringing the total number to 1,744 by next June 30.

Mr. President, I ask unanimous consent that a copy of Senate Document 91-42, and the justification of the estimate submitted by the Department of Agriculture, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Senate Document No. 91-42, Proposed Amendments to the 1970 Budget for the Department of Agriculture]

(A Communication From the President of the United States Transmitting an Amend-

ment to the Requests for Appropriations Transmitted in the Budget for the Fiscal Year in 1970 in the Amount of \$270,000,000 for the Department of Agriculture for the Food Stamp Program.)

THE WHITE HOUSE,
Washington, November 14, 1969.

THE PRESIDENT OF THE SENATE.

SIR: I ask the Congress to consider an amendment to the requests for appropriations transmitted in the budget for fiscal year 1970 in the amount of \$270,000,000 for the Department of Agriculture for the food stamp program.

As I stated on May 6, 1969, in my message to the Congress on hunger and malnutrition, enactment of legislation to modify the food stamp program and to increase its funding is the major action necessary to put an end to hunger in America itself for all time.

Further details of this proposal and the necessity therefor are set forth in the enclosed letter from the Director of the Bureau of the Budget, with whose comments and recommendations I concur.

Respectfully yours,

RICHARD NIXON.

[Estimate No. 26, 91st Cong., first sess.]

EXECUTIVE OFFICE OF THE PRESIDENT,

BUREAU OF THE BUDGET,

Washington, D.C., November 14, 1969.

The PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration an amendment to the request for appropriations transmitted in the budget for the fiscal year 1970 in the amount of \$270 million for the Department of Agriculture, as follows:

Department of Agriculture—Consumer and Marketing Service

[Budget appendix p. 133]

Heading: Food stamp program:

Request pending.....	\$340,000,000
Proposed amendment.....	270,000,000
Revised request.....	610,000,000

This amendment to the budget is to begin the expansion and modifications of the food stamp program outlined in your May 6 message to the Congress on hunger and malnutrition. Legislation (H.J. Res. 934) authorizing this increase in the 1970 program has now passed both Houses of Congress. Action is also pending on your request for the enactment of substantive changes in program design and authorities.

I recommend that this amendment to the budget for the fiscal year 1970 be transmitted to the Congress.

Respectfully yours,

ROBERT P. MAYO,

Director of the Bureau of the Budget.

U.S. Department of Agriculture, Food and Nutrition Service—1970 budget amendment

[Budget Appendix Page 134]

For necessary expenses of the food stamp program pursuant to the Food Stamp Act of 1964, as amended, [\$340,000,000]. \$610,000,000.

Heading: Food stamp program:

Original estimate	\$340,000,000
Revised estimate	610,000,000
Increase	270,000,000

EXPLANATION OF CHANGE

The proposed language would provide an increase in funds of \$270,000,000 for fiscal year 1970 to meet the costs of expanding and modifying the food stamp program.

PURPOSE AND NEED FOR BUDGET AMENDMENT

The food stamp program is an important part of the Administration's program to improve the nutrition of low-income families. There is currently pending in the Congress a proposal to substantially change the program. Action to provide the necessary additional funds for fiscal year 1970 is imperative if the program is to expand and provide additional food-purchasing power to needy families.

Expansion into new areas is essential if the goal of having a food program in every county is to be realized. In addition to making the program available in more areas certain program changes are necessary to reach the eligible needy persons who are not presently participating in existing areas. Proposed modifications would lower the purchase requirement and increase the total allotment for eligible households.

Justification of budget amendment for food stamp program

Project: program costs:

Budget estimate, 1970.....	\$326,150,000
Amendment to budget estimate, 1970.....	+270,000,000
Revised estimate, 1970.....	596,150,000

In line with intent of the Food Stamp Act of 1964, as amended, to progressively expand the program to all areas of the country that desire to participate, funds will be reserved to provide for an orderly geographic expansion into roughly 200 new areas which are not yet designated. The exact number of areas will depend upon the size of those requested by State welfare agencies. Priority will continue to be placed on designating areas which have no food program for needy households.

Primary emphasis will be placed on modifications designed to increase program effectiveness and to reach all eligible persons. The exact extent of these changes has not yet been finalized but they will be substantial. Intensive efforts will be required at the Federal, State, and local level to implement changes as rapidly as possible.

Mr. HOLLAND. Mr. President, in the Senate Committee Report No. 91-277, accompanying the Agriculture appropriation bill, there appeared on page 18 a table showing the amounts for feeding and food assistance activities, including transfers from section 32, with comparisons. I ask unanimous consent that this table, as revised, be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE, FOOD ASSISTANCE PROGRAMS 1969 AND ESTIMATES AND AMOUNTS APPROVED FOR 1970
[In thousands]

	Fiscal year 1969 estimated	1970 revised budget	House bill	Senate bill	Conference agreement	Conference agreement compared with fiscal year 1969	Conference agreement compared with 1970 budget
A. Child feeding programs:							
1. Cash grants to States:							
(a) School lunch (sec. 4).....	\$162,041	\$168,041	\$168,041	\$168,041	\$168,041	+\$6,000	-----
(b) Special assistance (sec. 11).....	10,000	44,800	44,800	44,800	44,800	+34,800	-----
(c) School breakfast.....	3,500	10,000	10,000	10,000	10,000	+6,500	-----
(d) Nonfood assistance.....	750	10,000	10,000	10,000	10,000	+9,250	-----
(e) State administrative.....	750	750	750	750	750	-----	-----
(f) Nonschool food program.....	5,750	10,000	10,000	15,000	15,000	+9,250	+\$5,000
(g) Special milk.....	103,314	-----	119,300	83,319	83,319	-19,995	+83,319
(h) Special sec. 32.....	43,941	89,000	89,000	89,000	89,000	+45,059	-----
Total, cash to States.....	330,046	332,591	451,891	420,910	420,910	+90,864	+88,319
A. 2. Commodities to States:							
School lunch (sec. 6).....	64,325	64,325	64,325	64,325	64,325	-----	-----
Sec. 321.....	80,500	90,411	90,411	90,411	90,411	+9,911	-----
Sec. 416.....	144,872	146,838	146,838	146,838	146,838	+1,966	-----
Total, commodities.....	289,697	301,574	301,574	301,574	301,574	+11,877	-----
3. Federal operating expenses:							
School lunch.....	2,161	3,100	3,100	3,100	3,100	+939	-----
Nonschool feeding.....	500	750	750	750	750	+250	-----
Special milk.....	681	-----	700	681	681	-----	681
Total, operating expenses.....	3,342	3,850	4,550	4,531	4,531	+1,189	+681
Total, child feeding.....	623,085	638,015	758,015	727,015	727,015	+103,930	+89,000
B. Family feeding programs:							
1. Food stamp program.....							
2. Direct distribution to families (regular program):							
(a) Sec. 321.....	142,141	225,028	225,028	225,028	225,028	+82,887	-----
(b) Sec. 416.....	116,539	140,000	140,000	140,000	140,000	+23,461	-----
Total, direct distribution to families.....	258,680	365,028	365,028	365,028	365,028	+106,348	-----
3. Nutritional supplement (special packages):							
(a) Special sec. 32—Food stamp areas.....	1,000	11,000	11,000	11,000	11,000	+10,000	-----
(b) Sec. 321.....	7,317	22,000	22,000	22,000	22,000	+14,683	-----
(c) Sec. 416.....	500	1,500	1,500	1,500	1,500	+1,000	-----
Total, special packages.....	8,187	34,500	34,500	34,500	34,500	+25,683	-----
Total, family feeding.....	547,405	1,009,528	739,528	1,149,528	1,009,528	+462,123	-----
C. Direct distribution to institutions:							
1. Sec. 32 ²	1,967	3,800	3,800	3,800	3,800	+1,833	-----
2. Sec. 416.....	43,000	29,000	29,000	29,000	29,000	-14,000	-----
3. VA, Armed Forces, penal.....	17,875	21,000	21,000	21,000	21,000	+3,125	-----
Total, direct distributions to institutions.....	62,842	53,800	53,800	53,800	53,800	-9,042	-----
D. Nutrition aide program.....	10,000	30,000	30,000	30,000	30,000	+20,000	-----
Total, food assistance program.....	1,243,332	1,731,343	1,581,343	1,960,343	1,820,343	+577,011	+89,000

¹ S. Doc. 91-42 transmitted to Congress on Nov. 14, 1969 an increase in the original estimate of \$270,000 to a total estimate of \$610,000.

² Includes related administrative expense.

Mr. HOLLAND. Mr. President, the foregoing tabulation shows that the conference report authorizes expenditures for child nutrition, special feeding, food stamp, and direct distribution programs in 1970, totaling \$1,820,343,000, an increase of \$577,011,000 over 1969, and is \$89,000,000 over the estimate.

The increase over the estimate is comprised of two items: first, an increase in direct appropriations of \$84,000,000, plus a transfer of \$20,000,000 from section 32 under the special feeding program in order to continue the special milk program at \$104 million. This compares with \$120 million proposed by the other body to finance the special milk program entirely from section 32. The amount agreed to by the conference committee is \$84 million over the estimate which proposed continuation of the special milk program at \$20 million, to be limited to children from needy families.

PRICE SUPPORT LIMITATION

The most difficult amendment to be dealt with by the conference committee was amendment No. 37, which struck from the House passed bill the limitation on payments to any producer in excess of

\$20,000 on any crop planted in fiscal 1970—except for sugar. In reporting the bill to the Senate, the Committee on Appropriations struck this provision. Its action was based upon the recommendation of the Secretary of Agriculture and upon testimony from the major farm organizations. The committee position was sustained by a vote of 53 to 34 when the bill was under debate in the Senate on July 7.

The conferees from the other body were of necessity firmly upholding the action of the House of Representatives. This amendment was discussed repeatedly in the conference, but it was obvious from the testimony received by the committee that the Secretary of Agriculture was correct in stating that the "snap-back" provision on cotton would provide for higher price supports and would in turn result in greater production of cotton at a greater cost to the Government, as well as returning to the surplus condition of earlier years. In addition, the winter wheat crop has all been planted and it constitutes about 78 percent of the total wheat production. Thus, the only crops to which the limitation would ap-

ply are spring wheat, feed grains, and other miscellaneous crops.

Next year, the standing committees on Agriculture and Forestry will recommend new farm legislation which will be acted upon by both branches of Congress. This is a more appropriate time for the Congress to consider and pass upon limitations on payments to producers.

AGRICULTURAL CONSERVATION PROGRAM

The revised budget estimate proposed that the agricultural conservation program, under which farmers are paid cost sharing for the installation of approved soil and water conservation measures, be discontinued as an economy measure.

This program has been basic to the preservation and development of our soil and water resources. Its interruption for even 1 year was opposed by farm groups and general conservationists.

The conference agreement provides an advance program authorization for 1970 at \$195.5, instead of its elimination as had been proposed by the budget.

The conferees have instructed the Secretary of Agriculture to give further emphasis to enduring conservation practices

and it is hoped that a favorable report showing progress under this directive which was carried in the Senate committee report will be reported to the subcommittee next year by departmental officials during the hearings of the 1971 estimates.

REIMBURSEMENT FOR NET REALIZED LOSSES OF COMMODITY CREDIT CORPORATION

The conference report includes an appropriation of \$5,215,934,000 to reimburse the Commodity Credit Corporation for net losses. This amount covers the losses for all prior years except a balance of \$250 million for fiscal 1968.

I feel confident that this action will encourage the executive branch to request the full amount next year necessary to clean up the balance and the loss for fiscal 1969, as intended by Public Law 87-155, approved August 17, 1961.

Mr. President, in brief, I believe the Senate prevailed on a large number of the items that were before the conference committee.

I see in the Chamber the distinguished Senator from North Dakota (Mr. YOUNG) who was one of the signers of the report and a member of the conference. I believe that he also feels that the report should be approved.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. YOUNG of North Dakota. Mr. President, I agree with the Senator. The conference report should be approved. I thank the Senator from Florida.

Mr. HOLLAND. I move that the conference report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. HOLLAND. Mr. President, there is an amendment of the House to Senate amendment No. 12 on which action is required. I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS FOR 1970

[Note.—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item	New budget (obligational) authority enacted ¹ fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended, House bill, 1970	New budget (obligational) authority recommended by Senate for 1970	Conference allowance, 1970	(7) Conference bill (+) or (-)			Appropriation 1969
						Budget estimates, 1970	House bill	Senate bill	
(1)	(2)	(3)	(4)	(5)	(6)	(7a)	(7b)	(7c)	(7d)
TITLE I—GENERAL ACTIVITIES									
Agricultural Research Service:									
Salaries and expenses:									
Research:									
Direct appropriation.....	\$129,105,300	\$130,631,300	\$130,182,000	\$134,452,000	\$131,802,200	+\$1,170,900	+\$1,620,020	-\$2,649,800	+\$2,696,900
Transfer from sec. 32.....	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)				
Total, research.....	(144,105,300)	(145,631,300)	(145,182,000)	(149,452,000)	(146,802,200)	(+1,170,900)	(+1,620,200)	(-2,649,800)	(+2,696,900)
Plant and animal disease and pest control.....	88,039,500	91,176,500	89,493,000	92,126,500	90,809,750	-366,750	+1,316,750	-1,316,750	+2,770,250
Special fund (reappropriation).....	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)				(-2,000,000)
Total, salaries and expenses.....	219,144,800	221,807,800	219,675,000	226,578,500	222,611,950	+804,150	+2,936,950	-3,966,550	+3,467,150
Salaries and expenses (special foreign currency program).....	4,500,000	8,287,000	4,500,000	5,500,000	5,000,000	-3,287,000	+500,000	-500,000	+500,000
Total, Agricultural Research Service.....	223,644,800	230,094,800	224,175,000	232,078,500	227,611,950	-2,482,850	+3,436,950	-4,466,550	+3,967,150

Footnotes at end of table.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 12 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum stricken and inserted, insert: "\$62,510,000".

Mr. HOLLAND. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to.

Mr. HOLLAND. Mr. President, I wish to commend the gentleman from Nebraska Senator ROMAN HRUSKA, the ranking Republican member of the Agriculture Appropriations Subcommittee, for his efforts and assistance in carrying this appropriations bill through the Senate and out of conference.

In addition to all of his other services, I want the RECORD to show that the Senator from Nebraska was a moving force on a number of items of great importance to the Midwest.

The first item is the \$250,000 to initiate a multiframe sampling program to improve the accuracy and reliability of livestock estimates. Senator HRUSKA had considered \$1 million as necessary for the program, and the Senate accepted that figure. The insistence of the House required reduction, but the amount \$250,000 will get the program started. If livestock estimates can be improved, and marketing by the livestock industry benefited thereby, it is a small investment for such an important gain to one of the Midwest's greatest industries.

Another item related to livestock is the amount of \$300,000 for development funds for the U.S. Meat Animal Research Center at Clay Center, Nebr. This amount was included by the conference committee in addition to the budget amount of \$667,100 for that Center. Senator HRUSKA has long believed that there has been an imbalance between the resources invested in crop research against those invested

in animal research. The Meat Animal Research Center at Clay Center is bringing about a better balance, and the funds argued for by Senator HRUSKA and added by the conference committee will expedite that balance.

Senator HRUSKA also believes strongly in soil and water conservation. Coming from Nebraska, he knows the importance of proper conservation practices to the continuing vitality and fertility of the soil, our most important resource. For this reason, the Senator from Nebraska was in the forefront of those seeking adequate funds for watershed works of improvement, the Great Plains conservation program, the resource conservation and development program, flood prevention, and the agricultural conservation program.

Senator HRUSKA was one of the prime movers in the area of pollution control. He persevered in his efforts to see increased funding for animal waste management research and as a result the Senate added \$250,000 to the item; the conference committee permitted \$125,000, which is still a 20-percent increase over fiscal 1969. The Senator from Nebraska also sought increased funds for rural water and waste disposal grants under the Farmers Home Administration. The Senate was able to prevail on this item, and the conference committee added \$6 million above the House bill.

On these and many other items, Senator HRUSKA was an important advocate for the farmers and ranchers of America. I thank him on their behalf for his work on this bill.

Mr. President, in conclusion, I ask to have printed in the RECORD a table which shows for the entire bill and for each individual appropriation item the adjusted appropriations for fiscal year 1969, the fiscal year 1970 budget estimates, the amounts contained in the House and Senate bills, and the conference allowance.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATE AND AMOUNTS FOR 1970

—Continued

[Note.—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted ¹ fiscal year 1969 (2)	Budget estimates of new (obligational) authority, fiscal year 1970 (3)	New budget (obligational) authority recommended, House bill, 1970 (4)	New budget (obligational) authority recommended by Senate for 1970 (5)	Conference allowance, 1970 (6)	(7) Conference bill (+) or (—)			Appropriation 1969 (7d)
						Conference bill (+) or (—)			
						B dget estimates, 1970 (7a)	House bill (7b)	Senate bill (7c)	
TITLE I—GENERAL ACTIVITIES—Con.									
Cooperative State Research Service: Payments and ex- penses.....	\$58,911,000	\$63,730,000	\$61,175,000	\$61,710,000	\$62,510,000	—\$1,220,000	+\$1,335,000	+\$800,000	+\$3,599,000
Extension Service:									
Payments to States and Puerto Rico.....	81,605,500	113,131,000	112,391,000	114,131,000	114,006,000	+875,000	+1,615,000	—125,000	+32,400,500
Retirement and employees' compensation costs for extension agents.....	9,536,500	10,240,000	10,000,000	10,240,000	10,240,000		+240,000		+703,500
Penalty mail.....	3,299,000	3,500,000	3,400,000	3,400,000	3,400,000	—100,000			+101,000
Federal Extension Service..	2,838,000	4,038,000	3,338,000	3,838,000	3,838,000	—200,000	+500,000		+1,000,000
Total, Extension Service.....	97,279,000	130,909,000	129,129,000	131,609,000	131,484,000	+575,000	+2,355,000	—125,000	+34,205,000
Farmer Cooperative Service: Salaries and expenses.....	1,414,000	1,635,000	1,500,000	1,635,000	1,500,000	—135,000		—135,000	+86,000
Soil Conservation Service:									
Conservation operations.....	118,873,000	118,786,000	118,786,000	118,786,000	118,786,000				—87,000
River basin surveys and investigations.....	9,086,000	8,187,000	8,187,000	8,187,000	8,187,000				—899,000
Watershed planning.....	6,419,000	6,209,000	6,209,000	5,000,000	6,209,000			+1,209,000	—210,000
Watershed works of im- provement.....	57,908,000	55,078,000	57,873,000	63,873,000	63,873,000	+8,795,000	+6,000,000		+5,965,000
Flood prevention.....	24,224,000	20,223,000	20,223,000	20,223,000	20,223,000				—4,001,000
Great Plains conservation program.....	16,160,000	14,000,000	15,000,000	15,000,000	15,000,000	+1,000,000			—1,160,000
Resource conservation and development.....	6,367,000	8,452,000	7,452,000	10,252,000	10,252,000	+1,800,000	+2,800,000		+3,885,000
Total, Soil Conserva- tion Service.....	239,037,000	230,935,000	233,730,000	241,321,000	242,530,000	+11,595,000	+8,800,000	+1,209,000	+3,493,000
Economic Research Service: Salaries and expenses.....	13,473,000	13,562,000	13,450,000	13,562,000	13,450,000	—112,000		—112,000	—23,000
Statistical Reporting Service: Salaries and expenses.....	14,853,000	15,055,000	14,950,000	16,375,600	15,412,800	+357,800	+462,800	—962,800	+559,800
Consumer and Marketing Service:									
Consumer protective, mar- keting, and regulatory programs.....	118,264,500	135,254,200	130,867,000	134,695,500	133,595,500	—1,658,700	+2,728,500	—1,100,000	+15,331,000
Payments to States and possessions.....	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000				
Special milk program: Transfer from sec. 32.....	(104,000,000)		(120,000,000)				(—120,000,000)		(—104,000,000)
Direct appropriation.....				² 84,000,000	² 84,000,000	+84,000,000	+84,000,000		+84,000,000
Child nutrition programs (school lunch program): Direct appropriation.....	188,474,000	117,500,000	117,500,000	122,500,000	122,500,000	+5,000,000	+5,000,000		—65,974,000
Transfer from sec. 32.....	(64,325,000)	(194,266,000)	(194,266,000)	(194,266,000)	(194,266,000)				(+129,941,000)
Total, child nutrition programs.....	252,799,000	(311,766,000)	(311,766,000)	(316,766,000)	(316,766,000)	(+5,000,000)	(+5,000,000)		(+63,967,000)
Food stamp program.....	280,000,000	³ 610,000,000	340,000,000	750,000,000	610,000,000		+270,000,000	—140,000,000	+330,000,000
Total, Consumer and Marketing Service.....	588,338,500	864,354,200	589,967,000	1,092,795,500	951,695,500	+87,341,300	+361,728,500	—141,100,000	+363,357,000
Foreign Agricultural Service: Salaries and expenses.....	21,903,300	23,937,000	22,937,000	23,937,000	23,437,000	—500,000	+500,000	—500,000	+1,533,700
Transfer from sec. 32.....	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)				
Transfer from CCC.....	(2,112,000)	(107,000)	(107,000)	(107,000)	(107,000)				(—2,005,000)
Total, Foreign Agricultural Service.....	(27,132,300)	(27,161,000)	(26,161,000)	27,161,000	(26,661,000)	(—500,000)	(+500,000)	—500,000	(—471,300)
Commodity Exchange Authority: Salaries and expenses.....	1,895,000	2,321,000	2,100,000	2,321,000	2,321,000		+221,000		+426,000
Agricultural Stabilization and Conservation Service: Expenses, ASCS:									
Direct appropriation.....	⁴ 142,857,400	128,870,000	147,420,000	146,000,000	146,000,000	+17,130,000	—1,420,000		+3,142,600
Transfer from CCC.....	(63,486,100)	(62,483,000)	(62,483,000)	(62,483,000)	(62,483,000)				(—1,003,100)
Total, expenses, ASCS.....	(206,343,500)	(191,353,000)	(209,903,000)	(208,483,000)	(208,483,000)	(+17,130,000)	(—1,420,000)		(+2,139,500)
Sugar Act Program.....	89,500,000	96,300,000	89,500,000	93,000,000	93,000,000	—3,300,000	+3,500,000		+3,500,000
Agricultural conserva- tion program: Liqui- dation of contract authorization.....	(190,000,000)	(195,500,000)	(195,500,000)	(195,500,000)	(195,500,000)				(+5,500,000)
Advance authorization 1970 program (con- tract authorization).....	195,500,000		195,500,000	185,000,000	195,500,000	+195,500,000		+10,500,000	
Cropland adjustment program:									
Appropriation.....	81,900,000	79,330,000	78,000,000	78,600,000	78,600,000	—730,000	+600,000		—3,300,000
Limitation on authoriza- tion for 1970 program.....		(99,300,000)		(99,300,000)	(—)				

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATE AND AMOUNTS FOR 1970
—Continued

[Note.—All amounts are in the form of "appropriations" unless otherwise indicated]

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						Conference bill (+) or (—)			
						Budget estimates, 1970 (7a)	House bill (7b)	Senate bill (7c)	
TITLE I—GENERAL ACTIVITIES—Con. Agricultural, Etc.—Con.									
Conservation reserve pro- gram.....	\$109,000,000	\$37,900,000	\$37,500,000	\$37,250,000	\$37,250,000	—\$650,000	—\$250,000	-----	—\$77,750,000
Emergency conservation measures.....	5,000,000	5,000,000	5,000,000	50,00,000	5,000,000	-----	-----	-----	-----
Indemnity payments to dairy farmers.....	300,000	200,000	200,000	200,000	200,000	-----	-----	-----	—100,000
Total Agricultural Stabilization and Conservation Service	624,057,400	347,600,000	553,120,000	545,050,000	555,550,000	+207,950,000	+2,430,000	+\$10,500,000	—68,507,400
Rural Community Develop- ment Services: Salaries and expenses.....	481,000	450,000	450,000	450,000	450,000	-----	-----	-----	—31,000
Office of the Inspector Gen- eral: Salaries and expenses...	12,994,000	13,925,000	13,389,000	13,925,000	13,657,000	+268,000	+268,000	—268,000	—663,000
Packers and Stockyards Administration: Salaries and expenses.....	2,864,300	3,509,300	3,200,000	3,509,300	3,354,650	—154,650	+154,650	—154,650	+490,350
Office of the General Coun- sel: Salaries and expenses.....	4,850,000	5,559,000	5,000,000	5,459,000	5,229,500	—329,500	+229,500	—229,500	+379,500
Office of Information: Sal- aries and expenses.....	2,055,000	2,164,000	2,106,000	2,106,000	2,106,000	—58,000	-----	-----	+51,000
National Agricultural Li- brary: Salaries and expenses.....	3,332,750	3,226,750	3,200,000	3,226,750	3,226,750	-----	+26,750	-----	—106,000
Office of Mauagement Serv- ices: Salaries and expenses.....	2,957,600	3,069,000	3,000,000	3,050,000	3,205,000	—44,000	+25,000	25,000	+67,400
General Administration: Sal- aries and expenses.....	4,838,000	5,052,000	4,838,000	4,838,000	4,838,000	—214,000	-----	-----	-----
Total, title I, general activ- ities.....	1,919,178,650	1,961,088,050	1,881,416,000	2,398,958,650	2,263,389,150	+302,301,100	+381,973,150	135,569,500	+344,210,500
TITLE II—CREDIT AGENCIES									
Rural Electrification Admin- istration:									
Loan authorizations:									
Electrication.....	329,000,000	320,000,000	320,000,000	340,000,000	340,000,000	+20,000,000	+20,000,000	-----	+11,000,000
Telephone.....	120,000,000	123,300,000	123,300,000	123,300,000	123,300,000	-----	-----	-----	+3,300,000
Total, loans (authoriza- tion to spend debt re- ceipts).....	449,000,000	443,300,000	443,300,000	463,300,000	463,300,000	+20,000,000	+20,000,000	-----	+14,300,000
Salaries and expenses.....	13,429,000	13,429,000	13,429,000	13,429,000	13,429,000	-----	-----	-----	-----
Total, Rural Electrifica- tion Administration.....	462,429,000	456,729,000	456,729,000	476,729,000	476,729,000	+20,000,000	+20,000,000	-----	+14,300,000
Farmers Home Administra- tion:									
Direct loan account:									
Real estate loans.....	(83,000,000)	(69,600,000)	(83,000,000)	(69,600,000)	(83,000,000)	(+13,400,000)	-----	(+13,400,000)	-----
Operating loans.....	(275,000,000)	(250,000,000)	(275,000,000)	(275,000,000)	(275,000,000)	(+25,000,000)	-----	-----	-----
Soil conservation loans.....	(4,900,000)	(8,800,000)	(4,900,000)	(8,700,000)	(8,700,000)	(—100,000)	(+3,800,000)	-----	(+3,800,000)
Total, direct loan account.....	(362,900,000)	(328,400,000)	(362,900,000)	(353,300,000)	(366,700,000)	(+38,300,000)	(+3,800,000)	(+13,400,000)	(+3,800,000)
Rural housing direct loan account.....	(30,000,000)	(30,400,000)	(30,000,000)	(30,000,000)	(30,000,000)	(—400,000)	-----	-----	-----
Emergency credit revolving fund.....	⁵ (25,000,000)	31,918,000	31,918,000	31,918,000	31,918,000	-----	-----	-----	+31,918,000
Rural water and waste disposal grants.....	28,000,000	28,000,000	40,000,000	46,000,000	46,000,000	+18,000,000	+6,000,000	-----	+18,000,000
Rural renewal.....	1,600,000	-----	-----	-----	-----	-----	-----	-----	—1,600,000
Rural housing for domestic farm labor.....	4,250,000	3,700,000	1,250,000	3,700,000	2,500,000	—1,200,000	+1,250,000	—1,200,000	—1,750,000
Housing for rural trainees.....	-----	1,000,000	-----	-----	-----	—1,000,000	-----	-----	-----
Mutual and self-help housing.....	-----	3,000,000	1,250,000	3,000,000	2,125,000	—875,000	+875,000	—875,000	+2,125,000
Self-help housing land development fund.....	600,000	1,400,000	600,000	1,000,000	1,000,000	—400,000	+400,000	-----	+400,000
Salaries and expenses:									
Direct appropriations.....	60,218,000	84,885,000	65,000,000	67,500,000	66,250,000	—18,635,000	+1,250,000	—1,250,000	+6,032,000
Transfer from agricultural credit insurance fund.....	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)	-----	-----	-----	-----
Miscellaneous transfer.....	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	-----	-----	-----	-----
Total, salaries and ex- penses.....	(62,968,000)	(87,635,000)	(67,750,000)	(70,250,000)	(69,000,000)	(—18,635,000)	(+1,250,000)	(—1,250,000)	+6,032,000
Total, Farmers Home Administration.....	94,668,000	153,903,000	140,018,000	153,118,000	149,793,000	—4,110,000	+9,775,000	—3,325,000	+55,125,000
Total, title II, credit agencies.....	557,097,000	610,632,000	596,747,000	629,847,000	626,522,000	+15,890,000	+29,775,000	—3,325,000	+69,425,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 196 AND BUDGET ESTIMATE AND AMOUNTS FOR 1970

—Continued—

[Note.—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted ¹ fiscal year 1969 (2)	Budget estimates of new (obligational) authority, fiscal year 1970 (3)	New budget (obligational) authority recommended, House bill, 1970 (4)	New budget (obligational) authority recommended by Senate for 1970 (5)	Conference allowance, 1970 (6)	(7) Conference bill (+) or (−)			Appropriation 1969 (7d)
						Budget estimates, 1970 (7a)	House bill (7b)	Senate bill (7c)	
TITLE III—CORPORATIONS									
Federal Crop Insurance Corporation: Appropriation..... Premium income.....	11,517,500 (2,140,000)	12,000,000 (1,648,000)	12,000,000 (1,648,000)	12,000,000 (1,648,000)	12,000,000 (1,648,000)				+ \$482,000 (−492,000)
Total, administrative and operating expenses.....	(13,657,500)	(13,648,000)	(13,648,000)	(13,648,000)	(13,648,000)				(−9,500)
Subscription to Capital fund..... Commodity Credit Corporation: Reimbursement for net realized losses:		10,000,000	10,000,000	10,000,000					+10,000,000
Appropriation..... Contract authority ⁶ Liquidation of contract authority.....	4,188,112,500 +1,579,078,000 −350,467,000	5,215,934,000 −1,560,192,000	4,965,934,000 −1,560,192,000	5,215,934,000 −1,560,192,000	5,215,934,000 −1,560,192,000		+ \$250,000,000		+1,027,821,500 −1,579,023,000 −1,209,725,000
Budget authority..... Limitation on administrative expenses.....	5,416,723,500 (31,500,000)	3,655,742,000 (32,000,000)	3,405,742,000 (31,500,000)	3,655,742,000 (32,000,000)	3,655,742,000 (32,000,000)		+250,000,000 (+500,000)		−1,760,981,500 (+500,000)
Public Law 480: Sales, title I..... Donations, title II.....	100,000,000 200,000,000	427,400,000 559,200,000	400,000,000 500,000,000	420,000,000 515,000,000	420,000,000 500,000,000	−\$37,400,000 −53,200,000	+20,000,000	−\$15,000,000	+320,000,000 +300,000,000
Total, Public Law 480..... Bartered materials for supplemental stockpile..... Total, new budget (obligational) authority, title III, corporations.....	300,000,000 5,728,241,000	986,600,000 1,500,000 4,665,842,000	900,000,000 750,000 4,328,492,000	935,000,000 1,250,000 4,613,992,000	920,000,000 1,250,000 4,598,992,000	−66,600,000 −250,000 −66,850,000	+20,000,000 +500,000 +270,500,000	−15,000,000	+620,000,000 +1,250,000 −1,129,249,000
TITLE IV—RELATED AGENCIES									
Farm Credit Administration: Limitation on administrative expenses.....	(3,436,000)	(3,628,000)	(3,628,000)	(3,628,000)	(3,628,000)				(+192,000)
RECAPITULATION									
Title I—General activities..... Title II—Credit agencies..... Title III—Corporations.....	1,919,178,650 557,097,000 5,728,241,000	1,961,088,050 610,632,000 4,665,842,000	1,881,416,000 596,747,000 4,328,492,000	2,398,958,650 629,847,000 4,613,992,000	2,263,389,150 626,522,000 4,598,992,000	+302,301,100 +15,890,000 −66,850,000	+381,973,150 +29,775,000 +270,500,000	−135,560,500 −3,325,000 −15,000,000	+344,210,500 +69,425,000 −1,129,249,000
Total, new budget (obligational) authority..... Consisting of:	8,204,516,650	7,237,562,050	6,806,655,000	7,642,797,650	7,488,903,150	+251,341,100	+682,248,150	−153,894,500	−715,613,500
1. Appropriations..... 2. Reappropriations..... 3. Contract authorizations..... 4. Authorizations to spend from debt receipts.....	5,978,938,650 2,000,000 1,774,578,000 449,000,000	6,794,262,050 443,300,000	6,167,855,000 195,500,000 443,300,000	6,994,497,650 185,000,000 463,300,000	6,830,103,150 195,500,000 463,300,000	+35,841,100 +195,500,000 +20,000,000	+662,248,150	−164,394,500 +10,500,000	+851,164,500 −2,000,000 −1,579,078,000 +14,300,000
Memoranda:									
1. Appropriations to liquidate contract authorizations..... 2. Appropriations, including appropriations to liquidate contract authority..... 3. Transfers from sec. 32..... 4. Transfer from CCC.....	540,467,000 6,519,405,650 186,442,000 65,598,100	1,755,692,000 8,519,954,050 212,383,000 62,590,000	1,755,692,000 7,923,517,000 332,383,000 62,590,000	1,755,692,000 8,750,189,650 212,383,000 62,590,000	1,755,692,000 8,585,795,150 212,383,000 62,590,000				+1,215,225,000 +2,066,389,500 +25,941,000 −3,003,100
Total, new budget (obligational) authority.....	8,204,516,650	7,232,562,050	6,806,655,000	7,642,797,650	7,488,903,150	+251,341,100	+682,248,150	−153,894,500	−705,613,500
Less: Loan repayments, Rural Electrification Administration ⁷ Net total, new budget (obligational) authority.....	−189,500,000 8,015,016,650	−189,300,000 7,048,262,050	−189,300,000 6,617,355,000	−189,300,000 7,453,497,650	−189,300,000 7,299,603,150				−200,000

¹ Totals shown include supplementals for 1969, which were unavailable when the bill was reported to the House and Senate.

² The Senate bill and conference amount provides \$84,000,000 in direct appropriations for Special Milk Program. This amount, plus \$20,000,000 available from sec. 32, will provide a total level of \$104,000,000 for special milk program.

³ S. Doc. 91-42 increased budget request for food stamp program from \$340,000,000 to \$610,000,000.

⁴ In addition, \$81,560,000 unobligated balance from cropland conservation program transferred to this amount.

⁵ \$25,000,000 was transferred to emergency credit revolving fund from FIIA direct loan account.

⁶ Contract authorization established under basic law.

⁷ Deducting REA loan repayments from these totals has the effect of converting these figures to a basis comparable with the treatment of all other major loan programs in the Federal budget. Other loan programs operated through revolving funds net loan repayments against budget outlays, whereas REA loan repayments are covered into miscellaneous receipts of the Treasury.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the conference report and the amendment were agreed to.

Mr. YOUNG of North Dakota. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

As in legislative session, a message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 12 to the bill and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 11702) to amend the Public Health Service Act to improve and extend the provisions relating to assistance to medical libraries and related instrumentalities, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STAGGERS, Mr. JARMAN, Mr. ROGERS of Florida, Mr. SPRINGER, and Mr. CARTER were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12829) to provide an extension of the interest equalization tax, and for other purposes.

(By order of the Senate, the following proceedings were held as in legislative session.)

AMERICAN PRISONERS OF WAR

Mr. ALLOTT. Mr. President, as Senators will recall, on October 30 I led off a rather extensive colloquy on the floor of the Senate in which Members on both sides of the aisle denounced an announcement made by the New Mobilization Committee to End the War in Vietnam on October 27 regarding American prisoners of war held by the North Vietnamese Government.

As Senators know, on October 27, William Kunstler, chief defense counsel at the Chicago eight riot conspiracy trial, held a press conference in Chicago to announce that in the future it would only be through the New Mobe that we would begin to receive names of American prisoners of war and "possibly other pertinent information" about their condition "as soon as the committee has the chance to set up an office and pass the information along to the prisoners' relatives." It will be recalled that in connection with that announcement David Dellinger, one of the Chicago defend-

ants, said the details of the new operation would be announced at the November 15 Washington peace rally, and characterized the North Vietnamese effort as "a major friendly act" and "a peace feeler."

Many of us in the Senate shared a similar sense of outrage with regard to this announcement since we recognize that this was a last desperate effort on the part of Hanoi to escape public and world condemnation for their continued failure to abide by the Geneva Agreements of 1949. We all recognize that Hanoi has never abided by even the minimal standards required under the Geneva Agreements with regard to the treatment of prisoners of war.

In this connection, I noted that an article appearing in the Washington Post yesterday indicated an awareness that these promises of Messrs. Kunstler and Dellinger made front page news in many newspapers across the land. Obviously, as a result of the promise hopes were raised in the hearts of many of the families of American prisoners of war that a glimmer of news might be received with regard to whether or not these prisoners were alive or dead. I would only hope that, if as now appears to be true, this was a cruel hoax on the part of the New Mobe the press will be equally as desirous of exposing this hoax.

The Washington Post article mentions the fact that the State Department was deluged with requests all day Monday asking what had happened with the information which was supposed to have been supplied by the New Mobe regarding American prisoners of war held by the North Vietnamese Government. I could not agree more with the characterization contained in that article by the State Department representative that "the lack of new information, despite the publicity, is tragic exploitation of the feelings of the families who wait for their loved ones."

Mr. President, I ask unanimous that the article to which I have referred be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 18, 1969]

WAR FOE FAILED TO GIVE POW DATA

(By A. D. Horne)

Antiwar leader David Dellinger did not deliver Saturday on his promise to announce information about U.S. prisoners in North Vietnam.

Dellinger made his promise in a press conference Oct. 27 in Chicago, where he is on trial on charges of conspiring to riot during the 1968 Democratic convention. He said then that at the Nov. 15 Washington rally he would announce details of how the peace movement would furnish information on and mail from the prisoners to their relatives.

The promise was front-page news in many newspapers, including this one.

Wives of presumed prisoners, some of them still unsure whether their husbands were dead or captured, telephoned the State Department all day yesterday to ask what had happened.

State officials said they did not know. In answer to a press query, they issued a bitter statement concluding, "The lack of new information, despite the publicity, is tragic exploitation of the feelings of the families who wait for their loved ones."

Dellinger, reached in Chicago late last night, said, "We just were not able to work out the procedures and details in time. We've received some encouraging information but we're not clear enough yet on what it will add up to and we don't want to raise false hopes."

Dellinger said he regretted that a "pre-mature" date had been set for the announcement. Some unanticipated problems had come up, he said, and an unpublicized trip to Paris would be required to work these out with the North Vietnamese.

The first trip in October had been made by William M. Kunstler, attorney for the Chicago defendants, after U.S. District Judge Julius J. Hoffman refused to allow Dellinger and co-defendant Rennie Davis to leave the country.

Dellinger blamed the delay at least in part on Hoffman's refusal to let him and Davis make the trip.

In their Oct. 27 press conference, Dellinger and Kunstler had said Hanoi had promised to expand information on the prisoners and to permit "a regular flow of mail" from them through the New Mobilization to End the War in Vietnam. In a telephone interview afterward, Kunstler said the North Vietnamese delegate, Xuan Oanh, had said a complete list of prisoners would be furnished but "maybe not at once."

The Pentagon lists about 1,300 men as captured or missing in both Vietnams, with 413 confirmed as prisoners. Letters have been received from only about 110 of these men.

Mr. ALLOTT. Mr. President, I think it was the general consensus of those of us who had participated in the October 30 colloquy on the floor of the Senate that despite our views with regard to the war—historically or prospectively—Congress must make it abundantly clear that it demands, on behalf of every American, assurance of proper and humane treatment of our military and civilian personnel held captive by the Communists. Obviously this kind of treatment must be completely in accordance with the provisions of the Geneva Agreement of 1949 to which the U.S. Government as well as the Governments of North Vietnam and South Vietnam are parties.

During the course of the colloquy on October 30 I called upon the distinguished chairman of the Senate Foreign Relations Committee to hold hearings on the issue of American prisoners of war with a view to reporting out any of the many resolutions now pending before it dealing with this most important issue. To date, no such hearings have been scheduled, and I would like to take this opportunity to reissue my call that this matter be taken up by the Senate committee as soon as practicable.

I have just been informed that the Subcommittee on National Security Policy and Scientific Developments of the Foreign Affairs Committee in the other body has, in executive session, agreed today to report to the full committee a resolution which makes congressional intent very clear with regard to assuring adequate treatment of our American prisoners of war in accordance with the Geneva Agreements. I note that this resolution is in the form of a House concurrent resolution which means that action by the Senate will be required before the full force and effect of the Congress can be constructively stated on this issue.

I ask unanimous consent that the draft of the House concurrent resolution reported to the full committee by the

crease for fiscal year 1970 and thus would bring the total technical assistance authorization to \$50 million for that fiscal year.

Title V regions under EDA would be authorized \$255 million for fiscal years 1970 and 1971, and an additional \$20 million would be authorized to carry out a regional transportation system study for all of these regions.

With regard to the authorizations for the title V regions, I would like to correct any misunderstanding which may result from an explanation made in the other body which suggested that the conferees agreed to a smaller authorization for these regions than the Senate bill provided.

S. 1072 initially provided \$175 million for these regions. The Senate committee added \$10 million for Alaska, and apportioned the \$175 million as follows:

[In millions]

Ozarks	\$20
New England	55
Upper Great Lakes	25
Four Corners	25
Coastal Plains	40
Total	175
Alaska	10
Grand total	185

At this point in time, the Senate committee also provided \$20 million for regional transportation systems for each of the regions in a separate section of the bill. Later, these \$20 million authorizations were added to each regional authorization, except Alaska.

In conference, it was agreed that Alaska should not at this time be considered as a region and a separate authorization was made for planning money. It was also agreed that the regional transportation systems should first be studied to determine their needs, and a separate authorization was provided for the study.

In the absence of program funding for Alaska and in the absence of funding for transportation systems, the original Senate bill, apparently, would have provided \$175 million as itemized above.

In conference, it was agreed to authorize \$255 million for the regional commissions. After deducting a maximum of 10 percent for regional programs to be administered by the Secretary, the remainder is to be allocated to the regions on the basis of no less than 10 percent and no more than 25 percent to any one region. If all of this authorization would be appropriated, the apportionment would appear as follows:

Total amount	\$255,000,000
Less maximum 10 per cent for secretary	25,500,000
Remainder for regions	229,500,000
Minimum of 10 per cent	22,950,000
Maximum of 25 per cent	57,375,000

So the conferees authorized at least \$229.5 million for the regions, which is \$54.5 million more than was contained in the Senate bill, and allows a maximum of \$57.375 million for any one region, which is \$7.375 more than that for any region itemized in the Senate committee version. In addition, by adopting the

House language, funding is assured for future regions which may be established.

HIGHWAY AND OTHER TRANSPORTATION PROGRAM

S. 1072, as agreed to in conference, contains a new authorization of only \$150 million for highway programs in the Appalachian region. The Appalachian highway program was also given a 2-year stretchout, through fiscal year 1973, and contract authority as provided under sections 106(a) and 118 of title 23, United States Code, which authority we believed to have been granted in the original act.

This will increase the total authorized for Appalachian highways to \$1,165,000,000. Up to this time, it was expected that the current authorization would provide for no more than 1,260 miles of the 2,700 miles of authorized development highways. The additional \$100 million authorization should allow construction of some 150 additional miles, still only half way to the 2,700 miles authorized to be completed. The Senate version would have permitted this \$150 million to be spent for right of way and engineering costs on sections of the development highway system whose actual construction was not expected to be accomplished under the act. In view of the commitment of future, as yet undetermined, highways needs which would have been obligated by this version, and to which I shall refer later, the Senate approach was stricken.

The Senate bill also authorized a maximum of \$20 million for a 2-year fiscal period for each of the title V Commissions for the planning, development and construction of regional transportation systems, including highways. The conferees wisely substituted a regional transportation system study, the results of which are to be reported to the Congress by January 10, 1971, with a total authorized amount for the study of \$20 million.

The importance of refraining from a commitment of future highway authorizations in the Appalachian and title V regions becomes apparent when we consider what must face the Congress in the coming year. During 1970, the Congress will be confronted with a new cost estimate for the Interstate Highway System, and a highway needs study which will include recommendations for an after-1975 highway program, and a report on the functional highway classification study. Thus, the Congress will have before it next year a complete review of the current highway program as well as a formulation of the next highway program. Until national needs are known, future commitments of highway programs should be held in abeyance, and are so held in the conference version of this bill.

REGIONAL BOUNDARY ADJUSTMENTS

One section of the Senate version of S. 1072, which the conferees left intact, I believe deserves mention. This section would amend title V of the Economic Development Act to provide that by resolution of either the Senate or House Public Works Committee, the Secretary of Commerce is directed to study the advisability of altering the geographical area of any region designated in order to

further the purpose of the act. This matter of altering regional boundaries has been discussed in hearings on many occasions, and in my own State of Florida I know it will be of interest to those counties which have expressed a desire to be included in the Coastal Plains Region.

COORDINATION

One final comment with regard to the report before us today. In hearings and in private conversations, I have, in the past, heard of the possible existence of a misunderstanding or lack of communication between the Economic Development Administration and the title V regions in those areas where they overlap. In order to preclude any such misunderstanding, I offered in committee an amendment which requires that the Secretary of Commerce and each Federal cochairman shall coordinate, each with the other, their activities in making loans and grants under the act. The committee accepted this amendment as written, as did the conferees.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I am glad to yield to the gentleman from Arkansas.

(Mr. HAMMERSCHMIDT asked and was given permission to revise and extend his remarks.)

Mr. HAMMERSCHMIDT. Mr. Speaker, I strongly support the conference report on the Appalachian Regional Development Act amendments and the Public Works and Economic Development Act Amendments of 1969. I commend the excellent work of the conferees in arriving at a consensus that has produced a good bill. It is sound legislation that will further invigorate not only the economic growth of Appalachia, but also the other five economic development regions: Coastal Plains, Four Corners, New England, Upper Great Lakes, and the Ozarks within which most of my own Third Congressional District of Arkansas lies. While I want to express appreciation to all the conferees for their contribution, I would particularly commend the leadership given to the House managers by my distinguished colleague the gentleman from Alabama, ROBERT E. JONES, who served as chairman of the conference. I believe that the main thrust of legislative intent in the House version was left intact. The bill contains a number of imaginative new proposals. The authorization for regional transportation studies should be very valuable to the Ozarks Commission as we attempt to exploit to its fullest use the great natural resource that runs through the heartland of the region, the Arkansas River navigation project. In addition, transportation studies need to be made on how to best make use of access roads into the beautiful lake and mountain recreation areas that are not now being fully utilized. Consideration should also be given toward a study and then perhaps later a subsidization of arterial roads, badly underdeveloped for commerce as well as tourism. I also envision that under this new authority, the Commission will be able to initiate proper land-use planning study as it relates to the development of adjacent areas of the Arkansas River Basin. This would further help make sure

that the best use is made of the \$1¼ billion investment almost already in place there.

The additional authority to make base grants will give the administrators of all the regions a most valuable and needed tool with which to stimulate economic growth in those areas of our Nation that have been lagging behind.

Even though the Ozarks region is in a relatively early stage of development, I feel that it is off to a healthy start toward laying the groundwork in meeting its primary goal of closing the gaps between national per capita income and the per capita income of the Ozarks region.

Mr. Speaker, I am sure every Member of the House, is aware of the problems in inflation. I certainly know that we must act responsively and with discipline in Federal spending. I say to you, however, that economic development programs which upgrade or create jobs represent an investment, in not only the economic strength of the Nation, but in actual potential dollar return to the Treasury. In my own Ozarks region alone, the Federal Government is losing almost a billion dollars a year in taxes because the average per capita income is 32 percent below the national average and I might add, 12 percent below the income of the average individual in the Appalachian region. Unfortunately, the gap is growing larger than decreasing. Per capita income in our area has been increasing since 1965 at the rate of \$117 per year compared with the national per capita income increase of \$191 per year. So, we must approach this problem with vigor and imagination to find the correct solution in meeting the commitment made by Congress in the passage of the Public Works and Economic Development Act of 1965, which affirmed that the Federal Government should "help areas and regions of substantial and persistent unemployment and underemployment to take effective steps in planning and financing their public works and economic development."

This bill is in the Nation's best interest. I predict with its passage, the Treasury in a reasonable time will receive a good return on the taxpayer's investment. At the same time, it will help to insure a more rewarding and fruitful life for many more of our citizens, and use more fully the Nation's resources.

This true Federal-State-local partnership approach brings new hope to the economically depressed in underdeveloped areas.

It will also aid in reverse migration which many feel is basic to relieving many of the urban social ills of our time. This legislation attacks the root causes of some of the crowded city population pressures with a relatively nominal investment that could have far more reaching affect than perhaps the many billions of dollars we are spending toward treating the symptoms. Again I commend the conferees of both bodies and I strongly urge the adoption of this conference report.

Mr. SCHWENGEL. Mr. Speaker, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Iowa.

(Mr. SCHWENGEL asked and was given permission to revise and extend his remarks.)

Mr. SCHWENGEL. Mr. Speaker, as the ranking member on the Republican side of the Subcommittee on Appalachia, I have given a great deal of thought to this legislation and have had an avid interest in it. I agree with the report. I counseled with a number of people associated with this and I rise in support of the legislation and hope that we can get on with its passage and on with the administration of the program.

Mr. JONES of Alabama. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered. The conference report was agreed to. A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Alabama?

There was no objection.

CALL OF THE HOUSE

Mr. CONTE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. WHITTEN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 280]

Abbitt	Fisher	Patman
Addabbo	Gettys	Pepper
Anderson,	Gilbert	Powell
Tenn.	Griffin	Pucinski
Andrews,	Hanna	Rees
N. Dak.	Hansen, Wash.	Reifel
Ashley	Hébert	Rhodes
Belcher	Heckler, Mass.	Rodino
Blackburn	Holifield	Rooney, Pa.
Cabell	Jones, Tenn.	Rostenkowski
Cahill	Kirwan	St. Onge
Celler	Kleppe	Scheuer
Clancy	Landrum	Steiger, Ariz.
Clark	Lipscomb	Stephens
Colmer	McDade	Stratton
Culver	McMillan	Teague, Tex.
Cunningham	Mathias	Thompson, N.J.
Dawson	May	Tunney
de la Garza	Moorhead	Utt
Denney	Morgan	Watson
Dent	Morton	Wilson,
Dickinson	Moss	Charles H.
Diggs	Murphy, N.Y.	Wold
Edwards, Calif.	Nelsen	Wyder
Evins, Tenn.	O'Neal, Ga.	
Feighan	Passman	

The SPEAKER pro tempore. On this rollcall 358 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONFERENCE REPORT ON H.R. 11612, DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1970

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 18, 1969.)

The SPEAKER pro tempore. The gentleman from Mississippi is recognized for 1 hour.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, we bring you today the conference report on the fiscal year 1970 appropriations bill for the Department of Agriculture and related agencies. I hope I may have the attention of my colleagues, because I realize that in this area, as in many others, there are differences of opinion. There have been in the past, and the House conferees worked with full knowledge of that situation. However, we worked long and hard to bring before you a conference report that carries in it far reaching programs touching on many aspects of American life.

As I have observed many times in the years that I have been here, the Members not only differ among themselves as to background and beliefs. The various areas of our country they represent have the same differences in viewpoint. Any bill that carries with it the appropriation for all activities in any department of the Federal Government touches virtually every segment of the entire 50 States of the Union and, may I say, practically all of the nations of the world. I hope you will keep in mind that this is not simply a conference report touching on only one or two items that you might take a different view of. It is a comprehensive report whereby finally we are bringing together in one place the funds for the various activities under the supervision of the Department of Agriculture for the well-being of the American people.

For instance, in this bill we have provided for some 100 new starts on watershed programs, which are not only vital to saving the soil for the rural areas of our country but which have become vital to the water supply for the many cities and the urban population of our Nation.

Mr. Speaker, we have in this program not only the funds that provide water systems and sewage systems for protection against pollution throughout the rural areas of the United States. We have in this bill something over \$2 billion for food assistance programs for the American people. That would include, of course, the school lunch program and the

school milk program. There is also \$610 million for the food stamp program, which is the total amount authorized to be appropriated in the law.

I realize that in my opinion, based upon some erroneous conclusions to say the least and misinformation to say the most, that there has been some feeling with reference to limitation of form payments.

Many of you have heard me say in times past that I strongly opposed enactment of the Food and Agriculture Act of 1965, because those provisions intended to offset the ever using costs of essential items for those who engaged in agricultural production were made clearly identifiable. This was unique for agriculture, since the myriad forms of Federal assistance to other segments of the economy are often disguised and not easily tabulated.

If the Members will read the statement of the managers on the part of the House, they will find that this so-called limitation amendment would apply as it now stands to two crops, spring wheat and feed grains. Sugar was specifically left out by the amendment language. Wool was left out because the amendment applied only to planted crops. We have already planted winter wheat. So it would be only fair that winter wheat having been planted, we should make some exception in that regard.

May I say that insofar as cotton is concerned it never was within the limitation, because the basic act provided that in the event of a limitation on payments the so-called "snapback" provision under section 103(d) of the 1965 act—as was brought forward in 1969—automatically went into effect.

So, Mr. Speaker, insofar as such a limitation under this conference report is concerned, it would apply only to feed grains and spring wheat. It would be grossly unfair and inequitable to have such a provision in operation.

Further, Mr. Speaker, may I say to my colleagues, that this subject matter will doubtless come under the consideration of the appropriate legislative committees and the Congress prior to December 31, 1970, the date of the expiration of existing agricultural legislation. Certainly, you do not want to have such a limitation on two crops when certain others were left out.

Mr. Speaker, there is mighty little time left in the fiscal year. Here it is November 19. This bill should have been passed by the first of July under normal procedure. We have encountered a variety of reasons for its not having been passed before this late date.

But I bring to you as chairman of this conference, having served as chairman of the subcommittee for many years, what I consider a well-rounded conference report. It represents the consensus of the conferees who tried to do justice to the many programs and activities that are in this bill, some of which affect you and some of which affect me, all of which affect the 50 States of the United States, and many of the nations around the world that we continue to help.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I will yield to my colleague for a question only.

Mr. FINDLEY. Mr. Speaker, I thank the gentleman for yielding.

The gentleman made mention of the problem confronted by planters of winter wheat, and suggested that in fairness they really should be exempted from a limitation on the payments, assuming this had been kept in the bill. Perhaps the gentleman is not aware of the fact that on August 12, in announcing the 1970 wheat program the Secretary of Agriculture issued an announcement which I am sure was available to all who signed up under the program, and the very last, and I would say most prominent item in this announcement read as follows: that payments would be subject to any limitations that might be required by Congress in the Department of Agriculture appropriations.

So I do not really feel that we need to worry too much about the problem of imposing a limitation upon wheatgrowers.

Mr. WHITTEN. I thank the gentleman for his comments. I agree that we need not worry much about the problem of imposing a limitation upon winter wheat-growers. I do not believe the Congress would do that. But I do think that the Secretary of Agriculture, in fairness to himself, had to include that kind of provision in his statement. I would say to the gentleman from Illinois, although I

understand that he, like myself, is not a farmer, that he should not have taken that to heart because, as the gentleman knows, the American people cannot count on what they read in the papers about what might become the law, and what might not become the law. If you would just compare two daily newspapers, you would see that if you took to heart all of the bills which are introduced and brought before committees of Congress, and tried to run your business in line with what might become the law, that you could not get your business off the ground.

Mr. KUYKENDALL. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I will yield briefly to the gentleman from Tennessee.

Mr. KUYKENDALL. I thank the gentleman for yielding.

I would ask the gentleman if it is not true that not only does cotton by law not go under any limitation, but that the cotton program constitutes almost 40 percent of all of the savings that have been talked about here for the last couple of years. That all this great big savings that they still talk about, 40 percent of that would have been cotton, which is not included in any limitation. Is this correct?

Mr. WHITTEN. I thank the gentleman for his comments, but just now we are talking about passing a conference report, and I do not believe that this subject is appropriate at the moment because it is not included in the report.

I should say I agree with the gentleman. I have been trying to point out, as the chairman of the conference committee, that cotton never was under the amendment. I refer Members to the statement of the House managers for an explanation of this matter.

I would simply close by saying to you that this is a conference report covering all the tremendous numbers of activities of a great department of government. The managers on the part of the House did their level best to do justice to the items in disagreement. I would urge you to adopt it.

At this point, Mr. Speaker, I would like to introduce for the Record a comprehensive table reflecting the recommendations of the conferees and covering all the items in the bill:

DEPARTMENT OF AGRICULTURE

TITLE I—GENERAL ACTIVITIES

Item	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970 (revised budget)	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference action	Difference between conference action and—			
						New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
Agricultural Research Service:									
Salaries and expenses:									
Research:									
Direct appropri- ation-----	\$129, 105, 300	\$130, 631, 300	\$130, 182, 000	\$134, 452, 000	\$131, 802, 200	+\$2, 696, 900	+\$1, 170, 900	+\$1, 620, 200	—\$2, 649, 800
Transfer from sec. 32-----	(15, 000, 000)	(15, 000, 000)	(15, 000, 000)	(15, 000, 000)	(15, 000, 000)	-----	-----	-----	-----
Total, research	(144, 105, 300)	(145, 631, 300)	(145, 182, 000)	(149, 452, 000)	(146, 802, 200)	(+2, 696, 900)	(+1, 170, 900)	(+1, 620, 200)	(—2, 649, 800)
Plant and animal disease and pest control-----	88, 039, 500	91, 176, 500	89, 493, 000	92, 126, 500	90, 809, 750	+2, 770, 250	—366, 750	+1, 316, 750	—1, 316, 750
Special fund (re- appropriation)-----	2, 000, 000	(2, 000, 000)	(2, 000, 000)	(2, 000, 000)	(2, 000, 000)	—2, 000, 000	-----	-----	-----
Total, salaries and expenses-----	219, 144, 800	221, 807, 800	219, 675, 000	226, 578, 500	222, 611, 950	+3, 467, 150	+804, 150	+2, 936, 950	—3, 966, 550

DEPARTMENT OF AGRICULTURE—Continued

TITLE I—GENERAL ACTIVITIES—Continued

Item	New budget (obligational) authority enacted o date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970 (revised budget)	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference action	Difference between conference action and—			
						New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
Agricultural Research Service—Continued									
Salaries and expenses—Continued									
Salaries and expenses (special foreign currency pro- gram)-----	\$4, 500, 000	\$8, 287, 000	\$4, 500, 000	\$5, 500, 000	\$5, 000, 000	+\$500, 000	—\$3, 287, 000	+\$500, 000	—\$500, 000
Total, Agricultural Research Ser- vice-----	223, 644, 800	230, 094, 800	224, 175, 000	232, 078, 500	227, 611, 950	+3, 967, 150	—2, 482, 850	+3, 436, 950	—4, 466, 550
Cooperative State Re- search Service: Pay- ments and expenses-----	58, 911, 000	63, 730, 000	61, 175, 000	61, 710, 000	62, 510, 000	+3, 599, 000	—1, 22 0, 000	+1, 335, 000	+800, 000
Extension Service:									
Payments to States and Puerto Rico-----	81, 605, 500	113, 131, 000	112, 391, 000	114, 131, 000	114, 006, 000	+32, 400, 500	+875, 000	+1, 615, 000	—125, 000
Retirement and em- ployees' compensa- tion costs for ex- tension agents-----	9, 536, 500	10, 240, 000	10, 000, 000	10, 240, 000	10, 240, 000	+703, 500	-----	+240, 000	-----
Penalty mail-----	3, 299, 000	3, 500, 000	3, 400, 000	3, 400, 000	3, 400, 000	+101, 000	—100, 000	-----	-----
Federal Extension Service-----	2, 838, 000	4, 038, 000	3, 338, 000	3, 838, 000	3, 838, 000	+1, 000, 000	—200, 000	+500, 000	-----
Total, Extension Service-----	97, 279, 000	130, 909, 000	129, 129, 000	131, 609, 000	131, 484, 000	+34, 205, 000	+575, 000	+2, 355, 000	—125, 000
Farmer Cooperative Service: Salaries and expenses-----	1, 414, 000	1, 635, 000	1, 500, 000	1, 635, 000	1, 500, 000	+86, 000	—135, 000	-----	—135, 000
Soil Conservation Service:									
Conservation opera- tions-----	118, 873, 000	118, 786, 000	118, 786, 000	118, 786, 000	118, 786, 000	—87, 000	-----	-----	-----
River basin surveys and investigations-----	9, 086, 000	8, 187, 000	8, 187, 000	1, 187, 000	8, 187, 000	—899, 000	-----	-----	-----
Watershed planning-----	6, 419, 000	6, 209, 000	6, 209, 000	5, 000, 000	6, 209, 000	—210, 000	-----	-----	+1, 209, 000
Watershed works of improvement-----	57, 908, 000	55, 078, 000	57, 873, 000	63, 873, 000	63, 873, 000	+5, 965, 000	+8, 795, 000	+6, 000, 000	-----
Flood prevention-----	24, 224, 000	20, 223, 000	20, 223, 000	20, 223, 000	20, 223, 000	—4, 001, 000	-----	-----	-----
Great Plains conserva- tion program-----	16, 160, 000	14, 000, 000	15, 000, 000	15, 900, 000	15, 000, 000	—1, 160, 000	+1, 000, 000	-----	-----
Resource conserva- tion and develop- ment-----	6, 367, 000	8, 452, 000	7, 452, 000	10, 252, 000	10, 252, 000	+3, 885, 000	+1, 800, 000	+2, 800, 000	-----
Total Soil Con- servation Service-----	239, 037, 000	230, 935, 000	233, 730, 000	241, 321, 000	242, 530, 000	+3, 493, 000	+11, 595, 000	+8, 800, 000	+1, 209, 000
Economic Research Service: Salaries and expenses-----	13, 473, 000	13, 562, 000	13, 450, 000	13, 562, 000	13, 450, 000	—23, 000	—112, 000	-----	—112, 000
Statistical Reporting Service: Salaries and expenses-----	14, 853, 000	15, 055, 000	14, 950, 000	16, 375, 600	15, 412, 800	+559, 800	+357, 800	+462, 800	—962, 800
Consumer and Market- ing Service:									
Consumer protective, marketing, and regulatory pro- grams-----	118, 264, 500	135, 254, 200	130, 867, 000	134, 695, 500	133, 595, 500	+15, 331, 000	—1, 658, 700	+2, 728, 500	—1, 100, 000
Payments to States and possessions-----	1, 600, 000	1, 600, 000	1, 600, 000	1, 600, 000	1, 600, 000	-----	-----	-----	-----
Special milk program:									
Transfer from sec. 32-----	(104, 000, 000)	-----	(120, 000, 000)	-----	-----	(—104, 000, 000)	-----	(—120, 000, 000)	-----
Direct appropria- tion-----	-----	-----	-----	184, 000, 000	184, 000, 000	+84, 000, 000	+84, 000, 000	+84, 000, 000	-----
Child nutrition pro- grams (school lunch program):									
Direct appropria- tion-----	188, 474, 000	117, 500, 000	117, 500, 000	122, 500, 000	122, 500, 000	—65, 974, 000	+5, 000, 000	+5, 000, 000	-----
Transfer from sec. 32-----	(64, 325, 000)	(194, 266, 000)	(194, 266, 000)	(194, 266, 000)	(194, 266, 000)	(+129, 941, 000)	-----	-----	-----
Total, child nutrition pro- grams-----	(252, 799, 000)	(311, 766, 000)	(311, 766, 000)	(316, 766, 000)	(316, 766, 000)	(+63, 967, 000)	(+5, 000, 000)	(+5, 000, 000)	-----
Food stamp program-----	280, 000, 000	610, 000, 000	340, 000, 000	750, 000, 000	610, 000, 000	+330, 000, 000	-----	+270, 000, 000	—140, 000, 000
Total, Consumer and Marketing Service-----	588, 338, 500	864, 354, 200	589, 967, 000	1, 092, 795, 500	951, 695, 500	+363, 357, 000	+87, 341, 300	+361, 728, 500	—141, 100, 000
Foreign Agricultural Service:									
Salaries and expenses-----	21, 903, 300	23, 937, 000	22, 937, 000	23, 937, 000	23, 437, 000	+1, 533, 700	—500, 000	+500, 000	—500, 000
Transfer from sec. 32-----	(3, 117, 000)	(3, 117, 000)	(3, 117, 000)	(3, 117, 000)	(3, 117, 000)	-----	-----	-----	-----
Transfer from CCC-----	(2, 112, 000)	(107, 000)	(107, 000)	(107, 000)	(107, 000)	(—2, 005, 000)	-----	-----	-----
Total, Foreign Agri- cultural Service-----	(27, 132, 300)	(27, 161, 000)	(26, 161, 000)	(27, 161, 000)	(26, 661, 000)	(—471, 300)	(—500, 000)	(+500, 000)	(—500, 000)
Commodity Exchange Authority: Salaries and expenses-----	1, 895, 000	2, 321, 000	2, 100, 000	2, 321, 000	2, 321, 000	+426, 000	-----	+221, 000	-----

DEPARTMENT OF AGRICULTURE—Continued

TITLE I—GENERAL ACTIVITIES—Continued

Item	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970 (revised budget)	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference action	Difference between conference action and—			
						New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
Agricultural Stabilization and Conservation Service: Expenses, ASCS:									
Direct									
appropriation.....	\$142,857,400	\$128,870,000	\$147,420,000	\$146,000,000	\$146,000,000	+\$3,142,600	+17,130,000	\$-1,420,000	
Transfer from									
CCC.....	2 (63,486,100)	(62,483,000)	(62,483,000)	(62,483,000)	(62,483,000)	(-1,003,100)			
Total, expenses, ASCS.....	(206,343,500)	(191,353,000)	(209,903,000)	(208,483,000)	(208,483,000)	(+2,139,500)	(+17,130,000)	(-1,420,000)	
Sugar Act program.....	89,500,000	96,300,000	89,500,000	93,000,000	93,000,000	+3,500,000	-3,300,000	+3,500,000	
Agricultural conservation program: Liquidation of contract authorization.....	(190,000,000)	(195,500,000)	(195,500,000)	(195,500,000)	(195,500,000)	(+5,500,000)			
Cropland adjustment program: Appropriation.....	81,900,000	79,330,000	78,000,000	78,600,000	78,600,000	-3,300,000	-730,000	+600,000	
Limitation on authorization for 1970 program.....		(99,300,000)		(99,300,000)			(-99,300,000)		(-\$99,300,000)
Conservation reserve program.....	109,000,000	37,900,000	37,500,000	37,250,000	37,250,000	-71,750,000	-650,000	-250,000	
Emergency conserva- tion measures.....	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000				
Indemnity payments to dairy farmers.....	300,000	200,000	200,000	200,000	200,000	-100,000			
Total, agricultural Stabilization and Conservation Service.....	428,557,400	347,600,000	357,620,000	360,050,000	360,050,000	-68,507,400	+12,450,000	+2,430,000	
Rural Community Development Service: Salaries and expenses.....	481,000	450,000	450,000	450,000	450,000	-31,000			
Office of the Inspector General: Salaries and expenses.....	12,994,000	13,925,000	13,389,000	13,925,000	13,657,000	+663,000	-268,000	+268,000	-268,000
Packers and Stockyards Administration: Salaries and expenses.....	2,864,300	3,509,300	3,200,000	3,509,300	3,354,650	+490,350	-154,650	+154,650	-154,650
Office of the General Counsel: Salaries and expenses.....	4,850,000	5,559,000	5,000,000	5,459,000	5,229,500	+379,500	-329,500	+229,500	-229,500
Office of Information: Salaries and expenses.....	2,055,000	2,164,000	2,106,000	2,106,000	2,106,000	+51,000	-58,000		
National Agricultural Library: Salaries and expenses.....	3,332,750	3,226,750	3,200,000	3,226,750	3,226,750	-106,000		+26,750	
Office of Management Services: Salaries and expenses.....	2,957,600	3,069,000	3,000,000	3,050,000	3,025,000	+67,400	-44,000	+25,000	-25,000
General Administration: Salaries and ex- penses.....	4,838,000	5,052,000	4,838,000	4,838,000	4,838,000		-214,000		
Subtotal, title I, general activities.....	1,723,678,650	1,961,088,050	1,685,916,000	2,213,958,650	2,067,889,150	+344,210,500	+106,801,100	+381,973,150	+146,069,500
Agricultural conserva- tion program: Ad- vance authorization for 1970 program (contract authoriza- tion).....	195,500,000		195,500,000	185,000,000	195,500,000		+195,500,000		+100,500,000
Total, title I, gen- eral activities.....	1,919,178,650	1,961,088,050	1,881,416,000	2,398,958,650	2,263,389,150	+344,210,500	+302,301,100	+381,973,150	-135,569,500

TITLE II—CREDIT AGENCIES

Rural Electrification Administration: Loan authorizations: Electrification.....	\$329,000,000	\$320,000,000	\$320,000,000	\$340,000,000	\$340,000,000	+\$11,000,000	+\$20,000,000	+\$20,000,000	
Telephone.....	120,000,000	123,300,000	123,300,000	123,300,000	123,300,000	+3,300,000			
Total, loans (au- thorization to spend debt receipts).....	449,000,000	443,300,000	443,300,000	463,300,000	463,300,000	+14,300,000	+20,000,000	+20,000,000	
Salaries and expenses.....	13,429,000	13,429,000	13,429,000	13,429,000	13,429,000				
Total, Rural Elec- trification Admin- istration.....	462,429,000	456,729,000	456,729,000	476,729,000	476,729,000	+14,300,000	+20,000,000	+20,000,000	

Footnotes at end of table.

DEPARTMENT OF AGRICULTURE—Continued

TITLE II—CREDIT AGENCIES—Continued

Item	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970 (revised budget)	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference action	Difference between conference action and—			
						New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
Farmers Home Admin- istration:									
Direct loan account:									
Real estate loans	(\$83,000,000)	(\$69,600,000)	(\$83,000,000)	(\$69,600,000)	(\$83,000,000)		(+\$13,400,000)		(+\$13,400,000)
Operating loans	(275,000,000)	(250,000,000)	(275,000,000)	(275,000,000)	(275,000,000)		(+25,000,000)		
Soil conservation loans	(4,900,000)	(8,800,000)	(4,900,000)	(8,700,000)	(8,700,000)	(+\$3,800,000)	(-100,000)	(+\$3,800,000)	
Total, direct loan account	(362,900,000)	(328,400,000)	(362,900,000)	(353,300,000)	(366,700,000)	(+3,800,000)	(+38,300,000)	(+3,800,000)	(+13,400,000)
Rural housing direct loan account	(30,000,000)	(30,400,000)	(30,000,000)	(30,000,000)	(30,000,000)		(-400,000)		
Emergency credit revolving fund:									
Direct appropriation		31,918,000	31,918,000	31,918,000	31,918,000	+31,918,000			
Transfer from direct loan account	(25,000,000)					(-25,000,000)			
Rural water and waste disposal grants	28,000,000	28,000,000	40,000,000	46,000,000	46,000,000	+18,000,000	+18,000,000	+6,000,000	
Rural renewal	1,600,000					-1,600,000			
Rural housing for do- mestic farm labor	4,250,000	3,700,000	1,250,000	3,700,000	2,500,000	-1,750,000	-1,200,000	+1,250,000	-1,200,000
Housing for rural trainees		1,000,000					-1,000,000		
Mutual and self-help housing		3,000,000	1,250,000	3,000,000	2,125,000	+2,125,000	-875,000	+875,000	-875,000
Sell-help housing land development fund	600,000	1,400,000	600,000	1,000,000	1,000,000	+400,000	-400,000	+400,000	
Salaries and expenses:									
Direct appropriations	60,218,000	84,885,000	65,000,000	67,500,000	66,250,000	+6,032,000	-18,635,000	+1,250,000	-1,250,000
Transfer from agri- cultural credit in- surance fund	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)				
Miscellaneous trans- fer	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)				
Total, salaries and expenses	(62,968,000)	(87,635,000)	(67,750,000)	(70,250,000)	(69,000,000)	(+6,032,000)	(-18,635,000)	(+1,250,000)	(-1,250,000)
Total, Farmers Home Adminis- tration	94,668,000	153,903,000	140,018,000	153,118,000	149,793,000	+55,125,000	-4,110,000	+9,775,000	-3,325,000
Total, title II, credit agencies	557,097,000	610,632,000	596,747,000	629,847,000	626,522,000	+69,425,000	+15,890,000	+29,775,000	-3,325,000

TITLE III—CORPORATIONS

Federal Crop Insurance Corporation:									
Appropriation	\$11,517,500	\$12,000,000	\$12,000,000	\$12,000,000	\$12,000,000	+\$482,500			
Premium income	(2,140,000)	(1,648,000)	(1,648,000)	(1,648,000)	(1,648,000)	(-492,000)			
Total, administra- tive and operating expenses	(13,657,500)	(13,648,000)	(13,648,000)	(13,648,000)	(13,648,000)	(-9,500)			
Subscription to capital fund		10,000,000	10,000,000	10,000,000	10,000,000	+10,000,000			
Commodity Credit Corporation:									
Appropriation	4,188,112,500	5,215,934,000	4,965,934,000	5,215,934,000	5,215,934,000	+1,027,821,500		+\$250,000,000	
Contract authority	+1,579,078,000					-1,579,078,000			
Liquidation of con- tract authority	-350,467,000	-1,560,192,000	-1,560,192,000	-1,560,192,000	-1,560,192,000	-1,209,725,000			
Budget authority	5,416,723,500	3,655,742,000	3,405,742,000	3,655,742,000	3,655,742,000	-1,760,981,500		+250,000,000	
Limitation on admin- istrative expenses	(31,500,000)	(32,000,000)	(31,500,000)	(32,000,000)	(32,000,000)	(+500,000)		(+500,000)	
Public Law 480:									
Sales, title I	100,000,000	427,400,000	400,000,000	420,000,000	420,000,000	+320,000,000	-\$7,400,000	+20,000,000	
Donations, title II	200,000,000	559,200,000	500,000,000	515,000,000	500,000,000	+300,000,000	-59,200,000		-\$15,000,000
Total, Public Law 480	300,000,000	986,600,000	900,000,000	935,000,000	920,000,000	+620,000,000	-66,600,000	+20,000,000	-15,000,000
Bartered materials for supplemental stock- pile		1,500,000	750,000	1,250,000	1,250,000	+1,250,000	-250,000	+500,000	
Total, new budget (obligational) authority, title III, corporations	5,728,241,000	4,665,842,000	4,328,492,000	4,613,992,000	4,598,992,000	-1,129,249,000	-66,850,000	+270,500,000	-15,000,000

TITLE IV—RELATED AGENCIES

Farm Credit Adminis- tration: Limitation on administrative ex- penses	(3,628,000)	(3,628,000)	(3,628,000)	(3,628,000)	(3,628,000)	(+192,000)			
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Footnotes at end of table.

DEPARTMENT OF AGRICULTURE—Continued

RECAPITULATION

Item	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970 (revised budget)	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference action	Difference between conference action and—			
						New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
Title I—General activities.....	\$1,919,178,650	\$1,961,088,050	\$1,881,416,000	\$2,398,958,650	\$2,263,389,150	+\$344,210,500	+\$302,301,100	+\$381,973,150	—\$135,569,500
Title II—Credit agencies.....	557,097,000	610,632,000	596,747,000	629,847,000	626,522,000	+69,425,000	+15,890,000	+29,775,000	—3,325,000
Title III—Corporations..	5,728,241,000	4,665,842,000	4,328,492,000	4,613,992,000	4,598,992,000	—1,129,249,000	—66,850,000	+270,500,000	—15,000,000
Title IV—Related agencies.....	(3,628,000)	(3,628,000)	(3,628,000)	(3,628,000)	(3,628,000)				
Total, new budget (obligational) authority.....	8,204,516,650	7,237,562,050	6,806,655,000	7,642,797,650	7,488,903,150	—715,613,500	+251,341,100	+682,248,150	—153,894,500
Consisting of:									
1. Appropriations.....	5,978,938,650	6,794,262,050	6,167,855,000	6,994,497,650	6,830,103,150	+851,164,500	+35,841,100	+662,248,150	—164,394,500
2. Reappropriations.....	2,000,000					—2,000,000			
3. Contract authorizations.....	1,774,578,000		195,500,000	185,000,000	195,500,000	—1,579,078,000	+195,500,000		+10,500,000
4. Authorizations to spend from debt receipts.....	449,000,000	443,300,000	443,300,000	463,300,000	463,300,000	+14,300,000	+20,000,000	+20,000,000	
Memoranda:									
1. Appropriations to liquidate contract authorizations.....	540,467,000	1,755,692,000	1,755,692,000	1,755,692,000	1,755,692,000	+1,215,225,000			
2. Appropriations, including appropriations to liquidate contract authority.....	6,519,405,650	8,549,954,050	7,923,547,000	8,750,189,650	8,585,795,150	+2,066,389,500	+35,841,100	+662,248,150	—164,394,500
3. Transfers from sec. 32.....	186,442,000	212,383,000	332,383,000	212,383,000	212,383,000	+25,941,000		120,000,000	
4. Transfers from CCC.....	65,598,100	62,590,000	62,590,000	62,590,000	62,590,000	—3,008,100			
Total, new budget (obligational) authority.....	8,204,516,650	7,237,562,050	6,806,655,000	7,642,797,650	7,488,903,150				
Less: Loan repayments, Rural Electrification Administration ⁴	—189,500,000	—189,300,000	—189,300,000	—189,300,000	—189,300,000				
Net total, new budget (obligational) authority..	8,015,016,650	7,048,262,050	6,617,335,000	7,453,497,650	7,299,603,150				

¹ \$84,000,000 in direct appropriations plus \$20,000,000 available from sec. 32 would provide a total level of \$104,000,000 for special milk program.

² Unobligated balance from cropland conversion program, \$81,560,000.

³ Contract authorization established under basic law.

⁴ Deducting REA loan repayments from these totals has the effect of converting these figures to a basis comparable with the treatment of all other major loan programs in the Federal budget. Other loan programs operated through revolving funds net loan repayments against budget outlays, whereas REA loan repayments are covered into miscellaneous receipts of the Treasury.

Mr. WHITTEN. Mr. Speaker, at this time I yield to my Republican counterpart of the conference for the purposes of debate only, the gentleman from Minnesota (Mr. LANGEN).

(Mr. LANGEN asked and was given permission to revise and extend his remarks.)

Mr. LANGEN. Mr. Speaker, the chairman as usual has done such an excellent job, in conveying to you the decisions reached by your conference committee, that there is little left to say.

In reaching those decisions, I think it remains to be said that there is seldom a bill that comes before the House that has such a direct relationship to as large a volume of the populace as you will find within this appropriation bill. This bill has items in it which relate not only to agriculture and agricultural programs, but it also relates to preserving the natural resources of this country, the feeding of people in both cities and rural areas. It is of equal concern to educational systems in providing school lunches and school milk. It provides for recreational and work-training programs such as you will find in the Extension Service through the 4-H, homemakers, and any number of those kinds of programs which, over the years, have proven themselves to have been so effective and so well received on the part of the public.

It reaches out into the public service area, in providing for protection for consumers in a good many areas.

In all of these your conference committee has done its best to see that they are properly financed for the remainder of this fiscal year.

I think also it needs to be noted that in arriving at these decisions at this time it was necessary to give some consideration to the fact that the big part of this fiscal year has already gone, and so the spending levels, even if established at the figures that the committee thought correct, would require somewhat less money than had those spending levels been able to have been started on last July 1.

I would call your attention to another area in which this bill reaches out, even into the foreign countries, for it provides money for Public Law 480 programs and the distribution of agricultural products and food in foreign countries. One that is of interest, I am sure, to a good many folks here, is the addition of \$500,000 for new export market projects.

We know that, in view of the surplus we have, being able to sell the additional products abroad is good business at this time.

The chairman has done an excellent job in calling your attention to possibly the more controversial item within the bill; namely, that referring to the \$20,000 limitation in payments.

Let me just say this. Do not think your conferees did not pursue this subject, attempting as best they could to uphold the House position. The fact is the circumstances were such that it did not leave us any means whereby we could pursue that objective, and do it equitably, to farm people across the country; nor could it be done in the manner providing ways and means whereby the Department of Agriculture could administer such a limitation at this late stage in the year. The difficulty is in attempting limitation of payments to crops planted during the fiscal year 1970 or crops harvested prior to or after that time. We struggled for a long time to find a medium where at this late stage of the year a limitation could be effected.

I should be frank to say that we just did not come upon such a solution.

For this reason the only practical way such a limitation can be accomplished would be to make it effective beginning with the crops in the crop year of 1971. By then we must have new farm legislation.

For this reason it is my opinion that your conferees came up with the best possible agreement that can be registered at this time.

I think I should make note of another item or two, particularly as they relate to the conservation of soil in this country. Because, as you know, we see that

the demands for food are growing and food distribution programs are growing and the population is growing. If we are not cognizant of the need for conserving our resources that are going to produce the quantity and quality of food in the future, we are just kidding ourselves, as we look ahead in that regard.

Your conferees, I think, have paid adequate attention to the preservation of our greatest of natural resources for the populations that are going to follow us. I am sure that the more than \$2.2 billion provided for the various food assistance programs is of interest to everyone. This is an increase of almost \$1 billion over last year.

Your conferees in six meetings have given careful consideration to all of the activities of the Department of Agriculture.

In view of these many significant items, I find it real assuring to recommend to the House the adoption of this conference report as it is before you at this time.

Mr. WHITTEN. Mr. Speaker, I thank my colleague.

At this time I yield 5 minutes, for purposes of debate only, to the gentleman from Massachusetts (Mr. CONTE).

(Mr. CONTE asked and was given permission to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, at the outset, I want to take this opportunity to thank the chairman of the committee, the gentleman from Mississippi, for giving me this time. I might say that when I was about to control the time the last time this bill was before the House I was also going to reciprocate at that time and give him time. Although we oppose each other on this issue, I think we do this in an intelligent manner. We disagree without becoming disagreeable.

Mr. Speaker, I intended today to move to recommit the conference report on H.R. 11612, the 1970 Agriculture appropriations bill.

My motion would have instructed the conferees to insist on my amendment placing a \$20,000 ceiling on farm subsidy payments which passed this body on May 27, 1969, by the substantial margin of 224 to 142.

I would have taken this step here today, Mr. Speaker; in view of that substantial vote, and in order to clearly establish the very firm commitment of this body to putting an end to the scandal of these huge payments.

Therefore the only hope to maintain the House position to hold the \$20,000 limitation is to vote down the previous question.

On September 24, 1969, after months of opportunity for analysis, the Secretary testified before our Agricultural Committee. To my deep disappointment, however, the Secretary offered no encouragement or support for those of us who have been fighting for a payments limitation.

Four months after advising the Members of this body that "it is possible to design a sound farm program" providing for some payment limitation, Secretary Hardin could do no better than to repeat that statement. Mr. Speaker, I am

sorry, but such a position is just not good enough.

I, too, share the reluctance of many of my colleagues to making this sort of change through an appropriations bill. But last May, when my amendment passed by such a wide margin, it reflected the overwhelming judgment of this body that there was no other way to put an end to this inequitable program.

There is today no basis whatsoever for altering that judgment.

I am sure, Mr. Speaker, that a good deal will be said in opposition to a motion to recommit, to the effect that the so-called "snapback provision" would seriously disrupt the cotton program and possibly nullify the savings my amendment would otherwise make possible.

But, while there is a good deal of controversy on the question of the costs generated by the effect of the "snapback," I have no doubt that, if my amendment is restored in conference, it will be a simple matter to follow that action with a bill to repeal that provision. The administration would certainly be forced to consider such a move. And I stand ready to support such an effort at the earliest possible time.

And so, the only real issue facing this body today is whether it continues to hold the view that led it to support my amendment 5 months ago. Since then, as I have said, there has been absolutely no movement, either within the administration or in our own agriculture committee, to offer us any hope that new farm legislation will be reported with a ceiling on farm subsidies.

And, even if we consider awaiting a new farm bill, and adding some similar amendment to that bill when it reaches the floor, some time in the next session, we must recall that our current farm program does not expire until the end of 1970. This means that a limitation on the farm bill could not take effect until 1971 at the earliest.

And, Mr. Speaker, there is another reason why I urge my colleagues to support this motion today.

On October 15, the Secretary of Agriculture announced an increase in the 1970 allotment for cotton of 1 million acres. As I pointed out on October 23—CONGRESSIONAL RECORD, E8813—this will enable the large farmers to receive much greater subsidies in 1970. It is therefore even more essential now to put some control on this runaway program.

I submit, Mr. Speaker, that this Nation cannot, and must not, wait for 2 more years. We must act now if we are to gain some control over a program which presently permits such huge payments to a fortunate handful of corporate farming giants, while doing nothing to aid the small farmer. It is not surprising that nearly every poll shows that the great majority of farmers themselves favor a payments ceiling.

We cannot wait to take this important step to reorder our national priorities.

Despite some criticism of the pace of this Congress, I believe that important efforts have been taken to reorder those priorities.

This body has passed the most com-

prehensive tax reform bill in history, eliminating many of the worst inequities in our present tax structure.

Congress has begun moving toward far greater control of our runaway defense budget. We have passed in this body the greatest appropriation for education in history.

Two months ago the other body passed the most comprehensive bill for the elimination of hunger and malnutrition to date. I am hopeful that a similar effort will be supported in this body.

It would, in short, be tragic to reverse that trend today.

I cannot believe that those of us who supported this reform only 5 months ago will permit that effort to die here today.

I urge all of my colleagues who supported my amendment so strongly then to join me once again, in making our position crystal clear, and even though we have been outmaneuvered, let us knock down the previous question.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Missouri (Mrs. SULLIVAN) for debate only.

Mrs. SULLIVAN. Mr. Speaker, I will vote against the motion to recommit.

It is easy to vote the other way, particularly if you have no farms in your district. You can boast that you fight for Government economy and against subsidies for the rich.

But the fact is that if you kick the big farms out of the acreage limitation programs, you might as well kick out the programs entirely, for there would be no effective limitations on farm production. The resulting glut of farm output would take billions of additional Federal dollars in price support subsidies in order to shore up farm prices.

I hope the city Democrats will not be persuaded to join the Republicans in what amounts to a repudiation of Democratic Party agricultural policies. If the new administration wants to change those policies, let it recommend changes. But let us not run out on our own party program. I do not intend to do so today.

I have had my fights with the Agriculture Committee and the farm bloc in the House because of their shortsightedness and their reluctance to help our urban citizens. I have voted to help their constituents by supporting Democratic agricultural programs. They must learn to return the favor and help our city people. I suspect they are learning to do that.

Next year we will have to make basic decisions on both the food stamp program and the farm program. That will be the time to argue out this issue of acreage limitation payments. If we are going to change the whole approach and emphasis of both the food stamp program and the agriculture program, let us do it with full understanding of what we are doing.

This argument today is more political than economic, and if it is political, then let us vote as Democrats, and vote for the conference report.

Mr. WHITTEN. Mr. Speaker, I yield for debate only 3 minutes to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, I thank the chairman very much for yielding

his time. I will take that time and ask for no more.

First, I cannot resist making some comments on the remarks of the gentleman from Missouri. The position of her own party may be a little bit difficult to determine at times, but before the election last year the U.S. Department of Agriculture, then under the leadership of Orville Freeman, completed a report which included a finding that a payment limitation of this sort would not adversely affect the successful operation of the commodity programs.

Subsequent to the election a man who at an earlier time was Mr. Freeman's Under Secretary of Agriculture, John Schnittker, who certainly is a prominent Democrat, voiced the same views.

If we try to find a Democratic Party position in the person either of the Orville Freeman administration or former Under Secretary Schnittker then the limitation on individual payments should be entirely acceptable to my friends on the other side of the aisle.

In fact, I received a note from Mr. Schnittker earlier this year in which he congratulated those of us who had been urging a limitation of payments by means of the appropriation bill and said he thought there might be a chance for success even this year. I think the chances are very dim, indeed. They have just about faded away.

The final comment I wanted to make was that during the Senate consideration of this appropriation bill the Secretary of Agriculture indicated that the snapback provision which would take effect as a result of the limitation on payments would cost the taxpayers—he used the word “cost”—about \$160 million more. Subsequent events have proved that this is totally unfounded. In fact, adjusted figures prepared at my request by the Department of Agriculture showed that this is totally unfounded—indeed backward.

Mr. KUYKENDALL. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. If I may add one more sentence, I will be glad to yield.

For the reference of any Member who might like to determine the accuracy of my summary here, he can turn to page E8993 of the October 28 CONGRESSIONAL RECORD. In that CONGRESSIONAL RECORD I presented that adjusted table provided by USDA, which was based on the great changes in yield forecast for cotton, and the change in yield had a tremendous impact upon the outlook of the cost of the snapback provision.

I am glad to yield to the gentleman from Tennessee.

Mr. KUYKENDALL. Has the gentleman changed his tune in the last 2 years, so that the vast saving he was promising 2 years ago has become a \$100 million cost? That this vast saving is going to cost the taxpayers not \$186 million but just \$100 million more; is that correct?

In other words, the snapback is going to cost more?

Mr. FINDLEY. If the gentleman will permit me I will comment on his question.

It is impossible to project an exact figure, but my guess is the savings would be about \$200 million.

Mr. WHITTEN. Mr. Speaker, I yield for debate only such time as he may desire to the chairman of the Committee on Appropriations, the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, I rise to urge support of the conference report on the pending agricultural appropriation bill. It is the best that could be done under the circumstances.

The limitation on farm payments was stricken from the bill in conference. Clearly, legislation involving such a controversial and important legislative matter was inappropriate for consideration on an appropriation bill. I continue to strongly oppose a limitation on payments, feeling that such a provision would destroy the very foundations of a workable farm program.

Mr. Speaker, it would be a great mistake not to approve this conference report. There has already been too much delay. Producers need to know what the farm program is to be like for next year and the Department of Agriculture needs to know precisely what funds will be available for expenditure for farmer and consumer programs during the current fiscal year.

I urge the adoption of the conference report.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I am pleased to yield to the distinguished Speaker.

Mr. McCORMACK. Mr. Speaker, we are now in the middle of November and we have several other appropriation bills to follow between now and adjournment. This conference report is before us. The conferees have worked very hard on it. I never knew any conference report of a comprehensive nature that was satisfactory to every Member. The immediate question before us, of course, is a sensitive one. On the other hand, we are faced with the realities of the situation. The conferees have done a very excellent job. There are a number of items in here that are of vital importance. There is more than one item which is of concern to the Members. I think the gentlewoman from Missouri (Mrs. SULLIVAN) made a very excellent statement a few minutes ago. Involved in this conference report is \$610 million for the food stamp program. Back a few months ago very few of us were optimistic that we could get such an appropriation this year. Yet there has been no difficulty on the part of the conference committee in agreeing to the \$610 million, which means a great deal to a lot of little Americans who are economically depressed. So I rise just for these moments to express the hope that the previous question will be adopted and that we recognize the benefits that flow from the bill and that those of us who represent city districts as well as farm districts will recognize that there are many parts of this bill that are of vital importance to the entire country whether we live in a farm community or whether we live in an urban community. And, I sincerely hope that the conference report will be agreed to.

Mr. MAHON. Mr. Speaker, I just want to say, having in mind what the distinguished Speaker has said, that the gentleman from Mississippi (Mr. WHITTEN),

chairman of this conference, and the gentleman from Minnesota (Mr. LANGEN) on the other side of the aisle, and all other members of the conference have worked diligently in an effort to put together a bill with which all Members could be reasonably well pleased. I would hope that we will have the previous question ordered on the conference report and get this measure behind us in order that we can continue to move on with the program.

I thank the gentleman from Mississippi for yielding.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. MICHEL) for the purpose of debate only.

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, you will see by the conference report that I took a reservation on amendment No. 48 where the House receded from our \$320 million figure for REA to the higher figure in the Senate bill of \$340 million.

While I have been critical over the years on some of the practices of the Rural Electrification Administration, particularly with respect to the amount of money in more recent years going for generation and transmission lines, we have come upon additional information since the passage of our bill to cause me to take this exception.

On November 5, beginning on page H10614 of the RECORD, I discussed this subject at some length. It had to do with a series of articles appearing in the Chicago Tribune and authored by Mr. Ron Koziol, relative to some of the more significant loans of recent years that were approved for generation facilities and about which I had raised a number of questions when those applications were being considered. Very briefly, they involved the following:

HOOSIER LOAN

For \$100 million with about \$72 million already released. This generating plant and transmission system has been built but is standing idle because of a decision by the State supreme court that Hoosier has never obtained a certificate from the Public Service Commission of Indiana to operate the facilities. This idle plant, which should not have been built in the first place, probably will cost the taxpayers between \$10,000 and \$11,000 a day in delinquent interest as long as it stands idle. Even when the litigation is resolved, cooperative consumers will have to foot the bill for this unwise uneconomic plant.

The most ridiculous feature of this loan, however, is that the Government is financing facilities that will cost \$100 million to duplicate facilities which cost \$25 million and are already being used to serve the same customers.

LOUISIANA LOAN

This \$56 million loan has been the subject of Appropriations Committee discussions, congressional debate, and litigation for the past several years. As hearings before the Appropriations Committee have demonstrated, this loan will result in higher cost power for farmers and other cooperative consumers in Louisiana if the system is built as approved by REA. This loan has placed the Federal

Government in the embarrassing position of spending taxpayer dollars which, if the plant is built, could increase electric rates of rural people.

BASIN LOAN (NORTH DAKOTA)

This is the largest single loan in REA history—\$97 million—and was made October 25, 1968, just prior to the election. It was made despite the fact that the record before the Appropriations Committee showed that facilities previously constructed by basin from a \$36 million REA loan made in 1962 have more than adequate capacity to serve its customers for years into the future.

As a matter of fact, basin already has incurred a loss of \$2,500,000 for the first 3 years of operations with this plant. This large loss accrued although no payments on principal have yet been made by REA on this loan. The recent \$97 million loan is nothing more than throwing good money after bad, and there should be no advances of funds to basin until the entire situation has been fully investigated and reappraised. This loan was not designed to help REA borrowers, but to promote the scheme of Federal power zealots who want to control the power supply for the whole region.

BIG RIVERS LOAN

This generating and transmission cooperative, already federally financed to the tune of \$72 million received \$27,400,000 more in REA funds just 5 days before the new administration took office in January. This loan—and others—almost exhausted REA's loan authorization for fiscal year 1969, and caused the Appropriations Committees of Congress to urge the new Administrator to give priority to distribution loans in administering available funds.

The facts surrounding these cases have cast a new pall of suspicion over the whole REA program. It is time to call a moratorium on advances for these generation and transmission loans until they have been thoroughly restudied.

Surely, too, there should be a special review of REA loans made in the closing days of the previous administration in order that the type of long and involved litigation involving earlier loans might be avoided. If court cases could be avoided, the taxpayers and cooperative consumers would be saved millions of dollars.

So much for the REA—Mr. Speaker, and may I move on in the few remaining moments that I have to several other significant differences in this conference report from the House-passed bill.

The two really big items, as has been mentioned before, are the big increase in food stamps to the new authorized level of \$610 million and an additional amount of \$250 million for restoration of the capital impairment of the Commodity Credit Corporation. Incidentally, this still leaves the CCC even with this additional amount, roughly a quarter of a billion dollars shy of having its capital impairment fully restored.

Now with respect to the controversial \$20,000 limitation that was passed by this House by a vote of 224 to 142, I must say that I had just about concluded that I would reserve on this point also, for as Members of this House well know, I have

supported the concept of a limitation when the authorizing legislation has been before us, but I have opposed the limitation when it came as a rider to one of our appropriation bills. After hearing all the arguments pro and con over an extended period of time, I have come to the conclusion that we have no other recourse but to take the route as prescribed in our conference report. From a very practical point of view, the limitation would have no effect on the cotton program, which is really the prime target of such a limitation, for with the imposition of a limitation the cotton boys would simply go back to that so-called "snap-back" provision, which many of us opposed several years ago. But let us face it, we lost the battle then and the cotton boys in concert with their big city allies at that time, knew exactly what they were doing when writing this provision into the authorizing legislation. You can cuss it all you want to now, but it is the law, notwithstanding the warnings we spoke about years ago.

Another prime target of the limitation would be the big wheatgrowers, but I do not see how this could affect those who already planted their fall wheat. While the gentleman from Illinois (Mr. FINDLEY), read a communication from the Department of Agriculture earlier in this debate, warning of the prospects of a limitation, I do not think in good conscience the Congress could say in a body that this was sufficient notice to our farmers. So with cotton and fall planted wheat being excluded from the limitation, it narrows down to affecting feed grains only, and I would simply have to say that on its face this would be discriminatory.

Now let me say in conclusion that I am convinced that the Secretary, the Department, and the Agricultural Committees in both bodies have gotten the message about our feeling with respect to imposing limitations on any similar programs in the future. We are going to have a chance to rewrite a farm bill next year, and just as sure as we are sitting and standing here today you can bet your bottom dollar that there will not be any bill passed next year with any kind of payments involved unless there are some reasonable limitations.

I hate to be at odds with my very dear friend Mr. CONTE, a member of our full Committee on Appropriations, and his sidekick in this effort, my very dear friend and colleague from Illinois (Mr. FINDLEY), but they have had their day—they have made their points, good ones, to which I would surely have to subscribe in the main—but my bone of contention is the means by which they hope to accomplish their end.

I hope the Members will see fit to support those of us who are trying our best to reflect the will of the majority of this House and at the same time do it within the orderly procedures of this body. Vote up the previous question and while I make no special pleading that you support my straight motion to recommit, I will, as a matter of fact, offer it as a parliamentary device and means of getting this conference report adopted without further delay, so that we can move on to

all the other pressing business bearing down upon us.

Mr. WHITTEN. Mr. Speaker, I yield myself 2 minutes.

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker, I would like to express at this point, as the chairman of the conferees, my appreciation for the very splendid statement just made by the distinguished Speaker, not that I do not appreciate all of the other statements which have been made. However, in my 18 years of service as chairman of the Subcommittee on Appropriations for the Department of Agriculture I have never seen the day that the distinguished Speaker, the Honorable JOHN McCORMACK, was not in there pitching for the bill designated "Agriculture."

But, you know, if you study it, you will find that about half of this bill goes for food programs, meat inspection, and other items not generally linked directly with "Agriculture." Our distinguished Speaker has recognized what many Americans today do not seem to recognize and that is this: The first step toward providing food is to produce food. We must do those things that are of assistance to those who produce the food and keep them producing it. Certainly we can pass all the laws we want to and not meet the demand for food.

Mr. Speaker, I did not want to close this debate without paying tribute to the distinguished Speaker not only for his interest in agriculture but for his interest in all phases of American life.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Massachusetts.

Mr. CONTE. I want to make an observation.

Mr. WHITTEN. I yield only for a question.

Mr. CONTE. I have the same high regard and esteem for the distinguished Speaker as does the gentleman from Mississippi and I believe the Speaker knows it. But in answer to all your crying about the lateness of the session and the need for speedy action on this farm bill, where were you earlier in the year when some of us were trying to get a food stamp bill out of committee and into the House? Here it is November 19 and you have not passed this bill as of today. Not because of any delay taken on our part, but merely because you did not move sooner in getting this bill on the floor of the House. If you were really bleeding for the food stamp portion of this bill, you would have been doing something about it months ago.

The gentlewoman from Missouri is to be commended and everyone on this side of the aisle should get up and join with me for putting this farm albatross right around the necks of the Democrats.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman for a question only.

Mr. HAYS. I would like to point out in my question that I was fooled one time and voted for the motion of the gentleman from Massachusetts, and I would have again, until I saw him 2

hours after the motion to limit agricultural payments was defeated vote against the limitation on a similar amendment on subsidies to magazines.

Mr. WHITTEN. Mr. Speaker, I should have stuck by my original guns and moved the previous question earlier.

Mr. Speaker, I move the previous question on the conference report.

The SPEAKER. The question is on ordering the previous question.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 214, nays 172, not voting 45, as follows:

[Roll No. 281]

YEAS—214

Abernethy	Foley	Moss
Adair	Ford, Gerald R.	Murphy, Ill.
Albert	Foreman	Murphy, N.Y.
Alexander	Fountain	Myers
Anderson, Ill.	Frey	Natcher
Anderson, Tenn.	Fuqua	Nelsen
Andrews, Ala.	Galifianakis	Nichols
Annunzio	Garmatz	Obey
Arends	Gettys	O'Hara
Aspinall	Gonzalez	Olsen
Ayres	Goodling	O'Neill, Mass.
Bell, Calif.	Gray	Passman
Berry	Gubser	Patten
Betts	Hagan	Pepper
Bevill	Haley	Perkins
Blanton	Hammer-	Pickle
Blatnik	schmidt	Poage
Boggs	Hansen, Idaho	Poff
Bolling	Hathaway	Preyer, N.C.
Bow	Hays	Price, Ill.
Bray	Hébert	Price, Tex.
Brinkley	Henderson	Pryor, Ark.
Brock	Hicks	Purcell
Brooks	Hollifield	Quillen
Broomfield	Hull	Randall
Brown, Ohio	Hutchinson	Rarick
Broyhill, N.C.	Jarman	Reid, Ill.
Broyhill, Va.	Johnson, Calif.	Rhodes
Buchanan	Jonas	Rivers
Burleson, Tex.	Jones, Ala.	Roberts
Burlison, Mo.	Jones, N.C.	Rogers, Fla.
Bush	Karth	Rooney, N.Y.
Byrnes, Wis.	Kazen	Roudebush
Caffery	Kee	Ruth
Carter	King	St. Onge
Casey	Kleppe	Satterfield
Cederberg	Kluczynski	Schadeberg
Chamberlain	Kuykendall	Scherle
Chappell	Kyl	Sebellus
Clark	Kyros	Shipley
Clausen,	Landrum	Shriver
Don H.	Langen	Sikes
Collins	Latta	Sisk
Colmer	Leggett	Skubitz
Daniel, Va.	Lennon	Slack
Davis, Ga.	Lloyd	Smith, Iowa
Davis, Wls.	Long, La.	Smith, N.Y.
Dellenback	McClory	Snyder
Dennis	McClure	Springer
Dent	McFall	Staggers
Devine	McKneally	Stanton
Dickinson	McMillan	Steed
Dingell	Mahon	Steiger, Ariz.
Dorn	Mailiard	Steiger, Wls.
Dowdy	Mann	Stubblefield
Downing	Martin	Stuckey
Dulski	Matsunaga	Sullivan
Edwards, Ala.	Meeds	Symington
Edwards, La.	Michel	Talcott
Evans, Colo.	Mikva	Taylor
Evins, Tenn.	Miller, Ohio	Thompson, Ga.
Fallon	Mills	Thomson, Wls.
Feighan	Mink	Udall
Fisher	Minshall	Ullman
Flood	Mize	Vigorito
Flowers	Mizell	Waggoner
Flynt	Montgomery	Wampler
		Watkins

Watts
Weicker
White
Whitehurst
Whitten

Wilson,
Charles H.
Winn
Wright
Wyatt

Wyllie
Young
Zion
Zwach

NAYS—172

Addabbo	Fraser	Minish
Anderson, Calif.	Frelinghuysen	Mollohan
Ashbrook	Friedel	Monagan
Barling	Fulton, Pa.	Moorhead
Barrett	Fulton, Tenn.	Morse
Beall, Md.	Gallagher	Mosher
Bennett	Gaydos	Nedzi
Biaggi	Gialmo	Nix
Blester	Gibbons	O'Konski
Bingham	Gilbert	Ottinger
Boland	Green, Oreg.	Pelly
Brademas	Green, Pa.	Pettis
Brasco	Griffiths	Philbin
Brotzman	Gross	Pike
Brown, Calif.	Grover	Pirnie
Brown, Mich.	Gude	Podell
Burke, Fla.	Hall	Quie
Burke, Mass.	Halpern	Rallsback
Burton, Calif.	Hamilton	Rees
Burton, Utah	Hanley	Reid, N.Y.
Button	Hanna	Reuss
Byrne, Pa.	Harrington	Riegle
Carey	Harsha	Robison
Chisholm	Harvey	Rogers, Colo.
Clancy	Hastings	Rosenthal
Clawson, Del.	Hawkins	Roth
Clay	Hechler, W. Va.	Roybal
Cleveland	Heckler, Mass.	Ruppe
Cohelan	Helstoski	Ryan
Collier	Hogan	St Germain
Conable	Horton	Sandman
Conte	Hosmer	Saylor
Conyers	Howard	Scheuer
Corbett	Hungate	Schneebeli
Corman	Hunt	Schwengel
Coughlin	Ichord	Scott
Cowger	Jacobs	Smith, Calif.
Cramer	Johnson, Pa.	Stafford
Culver	Kastenmeier	Stokes
Daddario	Keith	Stratton
Daniels, N.J.	Koch	Taft
Delaney	Long, Md.	Teague, Calif.
Derwinski	Lowenstein	Tierman
Diggs	Lujan	Van Derlin
Donohue	Lukens	Vander Jagt
Duncan	McCarthy	Vanik
Dwyer	McCloskey	Waldie
Eckhardt	McCulloch	Whalen
Elberg	McDade	Whalley
Erlenborn	McDonald,	Widnall
Esch	Mich.	Wiggins
Eshleman	McEwen	Williams
Farbstein	Macdonald,	Wilson, Bob
Fascell	Mass.	Wolff
Findley	Madden	Wyman
Fish	Marsh	Yates
Ford,	Mayne	Yatron
William D.	Meskill	Zablocki
	Miller, Calif.	

NOT VOTING—45

Abbott	Edwards, Calif.	Powell
Adams	Goldwater	Pucinski
Andrews,	Griffin	Reifel
N. Dak.	Hansen, Wash.	Rodino
Ashley	Jones, Tenn.	Rooney, Pa.
Belcher	Kirwan	Rostenkowski
Blackburn	Landgrebe	Stephens
Cabell	Lippscomb	Teague, Tex.
Cahill	MacGregor	Thompson, N.J.
Camp	Mathias	Tunney
Celler	May	Utt
Cunningham	Morgan	Watson
Dawson	Morton	Wold
de la Garza	O'Neal, Ga.	Wydler
Denney	Patman	
Edmondson	Pollock	

So the previous question was ordered.
The Clerk announced the following pairs:

On this vote:

Mr. Edmondson for, with Mr. Ashley against.

Mr. Cabell for, with Mr. Celler against.

Mr. Griffin for, with Mr. Edwards of California against.

Mr. Reifel for, with Mr. Morgan against.

Mr. Teague of Texas for, with Mr. Kirwan against.

Mrs. Hansen of Washington for, with Mr. Powell against.

Mr. Jones of Tennessee for, with Mr. Pucinski against.

Mr. O'Neal of Georgia for, with Mr. Rodino against.

Mr. Patman for, with Mr. Rooney of Pennsylvania against.

Mr. Stephens for, with Mr. Rostenkowski against.

Mr. Denney for, with Mr. Dawson against.
Mr. Belcher for, with Mr. Thompson of New Jersey against.

Mrs. May for, with Mr. Goldwater against.
Mr. Lippscomb for, with Mr. Blackburn against.

Mr. Camp for, with Mr. Wydler against.
Mr. Watson for, with Mr. Adams against.
Mr. Morton for, with Mr. Cahill against.
Mr. Pollock for, with Mr. MacGregor against.

Until further notice:

Mr. Abbitt with Mr. Cunningham.

Mr. de la Garza with Mr. Utt.

Mr. Tunney with Mr. Wold.

Mr. Andrews of North Dakota with Mr. Mathias.

Messrs. ECKHARDT, BYRNE of Pennsylvania, and RUPPE changed their votes from "yea" to "nay."

Mr. O'NEILL of Massachusetts changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the conference report.

MOTION TO RECOMMIT OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. MICHEL. I am, in its present form, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MICHEL moves to recommit the conference report (House Report No. 91-657) on H.R. 11612 to the committee of conference.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The conference report was agreed to.

AMENDMENT IN DISAGREEMENT

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment numbered 12: On page 8, line 2, strike out "\$61,175,000" and insert "\$61,710,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: in lieu of the sum stricken and inserted, insert the following: "\$62,510,000".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the confer-

ence report and the motion was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the conference report just adopted, and to include certain tables, relating thereto; and that all Members may have 5 legislative days in which to extend and revise their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 11702, MEDICAL LIBRARY AND HEALTH COMMUNICATIONS ASSISTANCE AMENDMENTS OF 1969

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11702) to amend the Public Health Service Act to improve and extend the provisions relating to assistance to medical libraries and related instrumentalities, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, JARMAN, ROGERS of Florida, SPRINGER, and CARTER.

CONFERENCE REPORT ON H.R. 12829, INTEREST EQUALIZATION TAX EXTENSION ACT OF 1969

Mr. MILLS. Mr. Speaker, I call up the conference report on the bill (H.R. 12829) to provide an extension of the interest equalization tax, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 18, 1969.)

The SPEAKER. The gentleman from Arkansas is recognized.

Mr. MILLS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, what is involved here is a conference report on an extension of the interest equalization tax which, it will be recalled, passed the House on August 7, last, as I recall, by virtually a unanimous vote if not by an actual unanimous vote.

The bill itself would again extend this act, that we had previously enacted and previously extended, through March 31, 1971. The need for it was made quite evident in the report of the Committee on Ways and Means, and by the statements of those of us who discussed it in August in the House.

The Senate did develop, as I recall, several amendments to the body of the interest equalization tax extension bill. They are entirely technical in nature. They were sought by the Treasury after the bill had passed the House, and agreed to by the Treasury, agreed to by our staff working with the Senate Finance Committee.

However, Mr. Speaker, in nearly all respects, the interest equalization tax as it appears in the conference agreement before you is the same as in the bill passed by the House. Let me describe the only important changes the bill makes in this tax. First, the bill as agreed to by the conferees extends the tax from September 30, 1969, to March 31, 1971. This is the same as the House version of the bill provided.

Second, the President's discretionary authority to vary the tax rates is modified so that a lower rate may be applied to new issues than to outstanding issues. This also was provided in the House bill. In addition, there are minor perfecting changes were contained in the House bill.

The bill as approved by the House extended the tax from its August 31, 1969, expiration date to March 31, 1971. The Senate extended the tax from the September 30, 1969, expiration date to take account of the temporary extension of the tax which had occurred since the House passed the bill. Thus, the conference agreement makes the tax effective as of September 30, 1969, and continues it until March 31, 1971.

The House bill permitted a domestic financing company to elect in effect to be exempt from the tax if, among other things, it only makes loans in connection with sales of tangible personal property. A Senate amendment agreed to by the conferees permits the company to also make loans in the course of, and incidental to carrying on, its financing company business, such as salary or travel advances to employees. The bill as approved by the House also allowed these financing companies to treat their trade accounts and liabilities which are payable within 1 year as foreign funds out of which loans may be made. The conferees agreed to a Senate amendment to extend this period to 3 years in the case of accrued foreign tax liabilities, since under a number of foreign tax systems taxes are not payable until 2 or 3 years after the time of accrual.

Three other Senate amendments to the interest equalization tax to which the House conferees agreed are concerned with the treatment of certain types of lease transactions. Presently, there is an uncertainty as to the treatment, for purposes of the tax, of financial leases which are used as a substitute for debt financing. To resolve this uncertainty, the Senate added an amendment to the House bill to make it clear that an obligation arising under a lease which is entered into principally as a financing transaction is to be subject to the tax. This change is only for the purposes of the interest equalization tax, however, and is not intended to have any effect on how these financial leases are treated for income tax purposes.

In addition, in order to insure that the

tax does not adversely affect our exports where these financial leases are treated as debt obligations, the Senate amendments provide that export leases are to be exempted in a manner similar to debt obligations for purposes of the existing export credit exemption and also under the financing company provision.

In this regard, first an exemption from the tax, similar to the exemption presently available for export sales, is provided for leases where a U.S. person acquires a debt obligation of a foreign person which arises out of a lease of tangible personal property to the foreign person. For this exception to apply, the debt obligation arising from the lease either must be guaranteed or insured by a U.S. agency, such as the Export-Import Bank, or at least 85 percent of the value of the leased property must be attributable to the use of property which was produced in the United States or to the performance of related services by U.S. persons. Second, it is provided that a financing company of the type I referred to earlier also may acquire debt obligations which arise out of a lease of tangible personal property if at least 85 percent of the value of the property subject to the lease is attributable to property created in the United States or to the performance of services by a U.S. person.

There is no controversy whatsoever about these amendments.

But in addition, Mr. Speaker, an amendment was adopted that is somewhat controversial, I assume, and about which objection was made by the gentleman from New York (Mr. CELLER) to the bill going to conference by unanimous consent.

It will be recalled that this week the House did adopt a rule, the purpose of which was to send the bill to conference. Your conferees on the part of the House met with the Senate. We discussed the amendments which had been offered by the distinguished senior Senator from the State of Utah dealing with this matter, the recordkeeping in the case of the sale of shotgun and rifle ammunition.

The Senate amendment to which the House conferees agreed which does not deal with the interest equalization tax is concerned with the recordkeeping requirements in the case of purchases of shotgun and rifle ammunition. Regulations issued under the Gun Control Act of 1968 require a person selling ammunition to obtain the purchaser's name, address, date of birth, and some form of identification. The Senate amendment repeals these requirements for shotgun ammunition and ammunition suitable for use only in rifles generally available in commerce because recordkeeping in the case of this type of ammunition, used mostly by sportsmen, imposes a large and unnecessary burden on sellers and purchasers without contributing to public safety. Ammunition presently interchangeable between rifles and handguns, such as .22-caliber rimfire ammunition would continue to be subject to the recordkeeping requirements.

The Senate adopted the amendment by a vote of 65 to 16.

Our conferees were told that the Senate had taken this position because after thorough consideration of the matter



Public Law 91-127
91st Congress, H. R. 11612
November 26, 1969

An Act

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes; namely:

Department of
Agriculture
and Related
Agencies
Appropriation
Act, 1970.

DEPARTMENT OF AGRICULTURE

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production, utilization, marketing, nutrition and consumer use, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work: *Provided*, That appropriations hereunder shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$25,000, except for six buildings to be constructed or improved at a cost not to exceed \$55,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$7,500 or 7.5 per centum of the cost of the building, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for facilities at Beltsville, Maryland:

83 STAT. 244
83 STAT. 245

58 Stat. 742.
80 Stat. 416.

58 Stat. 742.

Research: For research and demonstrations on the production and utilization of agricultural products; agricultural marketing and distribution, not otherwise provided for; home economics or nutrition and consumer use of agricultural and associated products; and related research and services; and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100; \$131,802,200, and in addition not to exceed \$15,000,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 shall be transferred to and merged with this appropriation, of which \$935,000 shall remain available until expended for plans, construction, and improvement of facilities without regard to limitations contained herein: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That none of the funds appropriated in this Act shall be used to formulate a budget estimate for fiscal 1971 of more than \$15,000,000 for research to be financed by transfer from funds available

49 Stat. 774.
7 USC 612c.
77 Stat. 820.

62 Stat. 198.

under section 32 of the Act of August 24, 1935, and pursuant to Public Law 88-250;

Plant and animal disease and pest control: For operations and measures, not otherwise provided for, to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine, and regulatory activities, as authorized by law, including expenses pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), \$90,809,750, of which \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects, plant diseases and animal diseases to the extent necessary to meet emergency conditions: *Provided*, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by any State of at least 40 per centum: *Provided further*, That not to exceed \$1,500,000 shall remain available until expended for construction of facilities without regard to limitations contained herein: *Provided further*, That, in addition, in emergencies which threaten the livestock or poultry industries of the country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts;

Special fund: To provide for additional labor, subprofessional and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at research installations in the field, not more than \$2,000,000 of the amount appropriated under this head for the previous fiscal year may be used by the Administrator of the Agricultural Research Service in departmental research programs in the current fiscal year, the amount so used to be transferred to and merged with the appropriation otherwise available under "Salaries and expenses, Research".

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments, in foreign currencies owed to or owned by the United States for market development research authorized by section 104(b) (1) and for agricultural and forestry research and other functions related thereto authorized by section 104(b) (3) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b) (1), (3)), \$5,000,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations for these purposes, for payments in the foregoing currencies: *Provided further*, That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph: *Provided further*, That not to exceed \$25,000 of this appropriation shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.

49 Stat. 774.
7 USC 612c.
77 Stat. 820.

61 Stat. 7;
80 Stat. 330.
31 USC 665.

83 STAT. 245
83 STAT. 246

80 Stat. 1529.

58 Stat. 742.
80 Stat. 416.

COOPERATIVE STATE RESEARCH SERVICE

PAYMENTS AND EXPENSES

For payments to agricultural experiment stations, for grants for cooperative forestry and other research, for facilities, and for other expenses, including \$55,189,000 to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture; \$3,785,000 for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582a-7), \$2,000,000 in addition to funds otherwise available for contracts and grants for scientific research under the Act of August 4, 1965 (7 U.S.C. 450i) of which \$1,000,000 shall be for the special cotton research program and \$400,000 for soybean research; \$1,000,000 for grants for facilities under the Act approved July 22, 1963 (7 U.S.C. 390-390k); \$160,000 for penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended; and \$376,000 for necessary expenses of the Cooperative State Research Service, including administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 for employment under 5 U.S.C. 3109; in all, \$62,510,000.

69 Stat. 671.

76 Stat. 806.

79 Stat. 431.

77 Stat. 90.

69 Stat. 673.

7 USC 361f.

58 Stat. 742.

80 Stat. 416.

EXTENSION SERVICE

COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

Payments to States and Puerto Rico: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, and the Act of October 5, 1962 (7 U.S.C. 341-349), to be distributed under sections 3(b) and 3(c) of the Act, \$83,621,000; payments for the nutrition education program for low-income areas under section 3(d) of the Act, \$28,560,000; payments and contracts for such work under section 204(b)-205 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,450,000; and payments for extension work under section 109 of the District of Columbia Public Education Act, as amended by the Act of June 20, 1968 (7 U.S.C. 329), \$375,000; in all, \$114,006,000: *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, shall not be paid to any State or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

67 Stat. 83.

69 Stat. 683.

76 Stat. 745.

60 Stat. 1089.

82 Stat. 241.

D.C. Code

31-1609.

Retirement and employees' compensation costs for extension agents: For cost of employer's share of Federal retirement and for reimbursement for benefits paid from the Employees' Compensation Fund for cooperative extension employees, \$10,240,000.

Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, \$3,400,000.

Federal Extension Service: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, and the Act of October 5, 1962 (7 U.S.C. 341-349), and extension aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and of the District of Columbia Public Education Act, as amended by the Act of June 20, 1968 (7 U.S.C. 329), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$3,838,000.

FARMER COOPERATIVE SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), and for conducting research relating to the economic and marketing aspects of farmer cooperatives, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), \$1,500,000.

44 Stat. 802.

60 Stat. 1087.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs): operation of conservation nurseries; classification and mapping of soil; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft, \$118,786,000: *Provided*. That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for one building to be constructed at a cost not to exceed \$25,000 and eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f) in demonstration projects: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service.

58 Stat. 742.

80 Stat. 416.

RIVER BASIN SURVEYS AND INVESTIGATIONS

For necessary expenses to conduct research, investigations and surveys of the watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1006), to remain available until expended; \$8,187,000, with which shall be merged the unexpended balances of funds heretofore appropriated to the Department for river basin survey purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$60,000 shall be available for employment under 5 U.S.C. 3109.

68 Stat. 668.

WATERSHED PLANNING

For necessary expenses for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1008), to remain available until expended, \$6,209,000, with which shall be merged the unexpended balances of funds heretofore appropriated under this head: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.

68 Stat. 666.

58 Stat. 742.
80 Stat. 416.

WATERSHED WORKS OF IMPROVEMENT

For necessary expenses to carry out preventive measures, including, but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001-1005, 1007-1008), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590-591), to remain available until expended; \$63,873,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That \$5,000,000 of the funds in the direct loan account of the Farmers Home Administration shall be available until expended for loans.

49 Stat. 163.

FLOOD PREVENTION

For necessary expenses, in accordance with the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701-709, 16 U.S.C. 1006a), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including funds for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for employment under 5 U.S.C. 3109, to remain available until expended; \$20,223,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That \$400,000 of funds in the direct loan account of the Farmers Home Administration shall be available until expended for loans.

49 Stat. 1570;
70 Stat. 1090.

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956 (16 U.S.C. 590p), \$15,000,000, to remain available until expended.

70 Stat. 1115.

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development, and for sound land use, pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1011; 76 Stat. 607),

83 STAT. 250

49 Stat. 163.

and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), \$10,252,000, to remain available until expended: *Provided*, That the unobligated balance of funds heretofore appropriated under the head "Rural renewal" shall be transferred to and merged with this appropriation: *Provided further*, That \$3,300,000 of the funds available in the direct loan account of the Farmers Home Administration shall be available for loans under subtitle A of the Consolidated Farmers Home Administration Act of 1961, as amended, to remain available until expended: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.

75 Stat. 307;

82 Stat. 770.

7 USC 1922-

1929.

58 Stat. 742.

80 Stat. 416.

ECONOMIC RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products; \$13,450,000: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and consumer: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That not less than \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis.

60 Stat. 1087.

STATISTICAL REPORTING SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Statistical Reporting Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, \$15,412,800: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to publishing estimates of apple production for other than the commercial crop: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109.

CONSUMER AND MARKETING SERVICE

CONSUMER PROTECTIVE, MARKETING, AND REGULATORY PROGRAMS

For expenses necessary to carry on services related to consumer protection, agricultural marketing and distribution, and regulatory programs, other than Packers and Stockyards Act, as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$25,000 for employment under 5 U.S.C. 3109, in carrying out section 201(a) to 201(d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1291) and section 203(j) of the Agricultural Marketing Act of 1946; \$133,595,500: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed \$7,500 or 7.5 per centum of the cost of the building, whichever is greater.

42 Stat. 159.
7 USC 181.

58 Stat. 742.
80 Stat. 416.
52 Stat. 36.
60 Stat. 1088.
7 USC 1622.
58 Stat. 742.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,600,000.

60 Stat. 1089.

CHILD NUTRITION PROGRAMS

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1761) and the applicable provisions other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785), \$252,441,000, of which \$129,941,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*, That of the foregoing total amount there shall be available \$44,800,000 for special assistance to needy schools, \$10,000,000 for the school breakfast program, \$10,000,000 for the nonfood assistance program, \$750,000 for State administrative expenses, and \$15,000,000 for special food service programs for children to remain available until September 30 of the next succeeding fiscal year: *Provided further*, That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: *Provided further*, That an additional \$64,325,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act, as amended.

60 Stat. 230;
82 Stat. 117.
80 Stat. 885.
49 Stat. 774.

FOOD STAMP PROGRAM

For necessary expenses of the food stamp program pursuant to the Food Stamp Act of 1964, as amended, \$610,000,000.

78 Stat. 703;
81 Stat. 228.
7 USC 2011
note.

SPECIAL MILK PROGRAM

For necessary expenses to carry out the provisions of the Special Milk Program, as authorized by section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772) \$84,000,000.

80 Stat. 885.

REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES (SECTION 32)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for (1) transfers to the Department of the Interior as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; (3) not more than \$2,900,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961; and (4) in addition to other amounts provided in this Act, not more than \$100,000,000 (including not to exceed \$2,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended; (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food and (c) milk for children in nonprofit high schools and schools of lower levels, child-care centers, summer camps, and similar nonprofit institutions devoted to the care and training of children.

49 Stat. 774.

70 Stat. 1119.
16 USC 742a
note.

50 Stat. 246.
7 USC 674
note.

75 Stat. 294.
7 USC 1911
note.

42 USC 1751
note; 1771
note.

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$23,437,000: *Provided*, That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service.

68 Stat. 908.

70 Stat. 1034.

49 Stat. 774.

COMMODITY EXCHANGE AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1-17a), \$2,321,000.

42 Stat. 998;
49 Stat. 1491.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar Act of 1948, as amended (7 U.S.C. 1101-1161); sections 7 to 15, 16(a), 16(d), 16(e), 16(f), 16(i), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590q); subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816); and laws pertaining to the Commodity Credit Corporation, \$146,000,000: *Provided*, That, in addition, not to exceed \$62,483,000 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund (including not to exceed \$26,757,000 under the limitation on Commodity Credit Corporation administrative expenses): *Provided further*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this appropriation: *Provided further*, That no part of the funds appropriated or made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations.

52 Stat. 38.
61 Stat. 922;
79 Stat. 1271.
49 Stat. 1148.
70 Stat. 191;
73 Stat. 552;
79 Stat. 1206.

62 Stat. 792.

52 Stat. 31.
16 USC 590h.

SUGAR ACT PROGRAM

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U.S.C. 1101-1161), \$93,000,000, to remain available until June 30 of the next succeeding fiscal year.

AGRICULTURAL CONSERVATION PROGRAM

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U.S.C. 590g-590o, 590p(a), and 590q), including not to exceed \$15,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, \$195,500,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the programs of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Related Agencies Appropriation Acts, 1968 and 1969, carried out during the period July 1, 1967, to December 31, 1969, inclusive: *Provided*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information em-

81 Stat. 328;
82 Stat. 647.

49 Stat. 1148.
16 USC 590g-
590q.

ployees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3(III), 4(IV), and 5(V) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956: *Provided further*, That necessary amounts shall be available for administrative expenses in connection with the formulation and administration of the 1970 program of soil-building and soil- and water-conserving practices, including related wildlife conserving practices and pollution abatement practices, under the Act of February 29, 1936, as amended (amounting to \$195,500,000, excluding administration, except that no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): *Provided further*, That not to exceed 5 per centum of the allocation for the current year's agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the current year's program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

53 Stat. 1147;
54 Stat. 767.
5 USC 1501-
1508; 7324-
7327.
62 Stat. 792.

CROPLAND ADJUSTMENT PROGRAM

For necessary expenses to carry into effect a cropland adjustment program as authorized by the Food and Agriculture Act of 1965 (7 U.S.C. 1838), \$78,600,000: *Provided*, That no additional agreements are authorized for fiscal year 1970.

79 Stat. 1206;
82 Stat. 996.

CONSERVATION RESERVE PROGRAM

For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816), and to carry out liquidation activities for the acreage reserve program, to remain available until expended, \$37,250,000, with which may be merged the unexpended balances of funds heretofore appropriated for soil bank programs: *Provided*, That no part of these funds shall be paid on any contract which is illegal under the law due to the division of lands for the purpose of evading limits on annual payments to participants.

70 Stat. 191;
73 Stat. 552;
79 Stat. 1206.

EMERGENCY CONSERVATION MEASURES

For emergency conservation measures, to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, to remain available until expended, \$5,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated for emergency conservation measures.

71 Stat. 176.

INDEMNITY PAYMENTS TO DAIRY FARMERS

For necessary expenses to carry out the provisions of the Act of August 13, 1968 (Public Law 90-484), \$200,000: *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government.

82 Stat. 750.
7 USC 450j.

RURAL COMMUNITY DEVELOPMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Rural Community Development Service in providing leadership and related services in carrying out the rural areas development activities of the Department, \$450,000: *Provided*, That not to exceed \$3,000 shall be available for employment under 5 U.S.C. 3109.

80 Stat. 416.

OFFICE OF THE INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$10,000 for employment under 5 U.S.C. 3109, \$13,657,000.

58 Stat. 742.

PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for administration of the Packers and Stockyards Act, as authorized by law, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for employment under 5 U.S.C. 3109, \$3,354,650.

OFFICE OF THE GENERAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, \$5,229,500.

OFFICE OF INFORMATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$2,106,000, of which total appropriation not to exceed \$612,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be available to be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417) and not less than two hundred and thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U.S.C. 241): *Provided*, That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$10,000 shall be available for employment under 5 U.S.C. 3109.

NATIONAL AGRICULTURAL LIBRARY

SALARIES AND EXPENSES

For necessary expenses of the National Agricultural Library, \$3,226,750: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$35,000 shall be available for employment under 5 U.S.C. 3109.

OFFICE OF MANAGEMENT SERVICES

SALARIES AND EXPENSES

For necessary expenses to enable the Office of Management Services to provide management support services to selected agencies and offices of the Department of Agriculture, \$3,025,000.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed \$5,000 for employment under 5 U.S.C. 3109, \$4,838,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations

for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That not to exceed \$250,000 of funds contained in the Working Capital Fund established under authority of Public Law 78-129 may be used to carry out responsibilities under the Civil Rights Act of 1964.

80 Stat. 381;
81 Stat. 54.

57 Stat. 393.
7 USC 2235.
78 Stat. 241.
42 USC 2000a
note.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

49 Stat. 1363;
63 Stat. 948.

LOAN AUTHORIZATIONS

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3(a) of said Act, and to remain available without fiscal year limitation in accordance with section 3(e) of said Act, as follows: rural electrification program, \$340,000,000, and rural telephone program, \$123,300,000.

7 USC 907.

61 Stat. 546.
7 USC 903.

SALARIES AND EXPENSES

For administrative expenses, including not to exceed \$500 for financial and credit reports, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 for employment under 5 U.S.C. 3109, \$13,429,000.

58 Stat. 742.
80 Stat. 416.

FARMERS HOME ADMINISTRATION

DIRECT LOAN ACCOUNT

Direct loans and advances under subtitles A and B, and advances under section 335(a) for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921), as amended, may be made from funds available in the Farmers Home Administration direct loan account as follows: real estate loans, \$83,000,000, and operating loans, \$275,000,000.

75 Stat. 307,
315.

RURAL HOUSING DIRECT LOAN ACCOUNT

For direct loans and related advances pursuant to section 518(d) of the Housing Act of 1949 (42 U.S.C. 1488), \$30,000,000 shall be available from funds in the rural housing direct loan account. Hereafter, farmer applicants for direct or insured rural housing loans shall be required to provide only such collateral security as is required of owners of nonfarm tracts.

79 Stat. 500.

EMERGENCY CREDIT REVOLVING FUND (DISASTER LOANS)

For an additional amount for the Emergency Credit Revolving Fund, as authorized by the Act of August 8, 1961 (7 U.S.C. 1967), \$31,918,000.

75 Stat. 312.

83 STAT. 258

RURAL WATER AND WASTE DISPOSAL GRANTS

For grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1926), \$46,000,000.

79 Stat. 931;
82 Stat. 770.

RURAL HOUSING FOR DOMESTIC FARM LABOR

For financial assistance to public nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), \$2,500,000, to remain available until expended.

78 Stat. 797.

MUTUAL AND SELF-HELP HOUSING

For grants pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$2,125,000, to remain available until expended.

82 Stat. 553.

SELF-HELP HOUSING LAND DEVELOPMENT FUND

For direct loans pursuant to section 523(b)(1)(B) of the Housing Act of 1949 (42 U.S.C. 1490c) and related advances, \$1,000,000, to remain available until expended.

SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921-1991), as amended, title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1490c), the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444), and for carrying out the responsibilities of the Secretary of Agriculture under sections 235 and 236 of the National Housing Act, as amended (12 U.S.C. 1715z-1715z-1), and section 701 of the Housing Act of 1954, as amended (40 U.S.C. 461), \$66,250,000, together with not more than \$2,250,000 of the charges collected in connection with the insurance of loans as authorized by section 309(e) of the Consolidated Farmers Home Administration Act of 1961, as amended, and section 514(b)(3) of the Housing Act of 1949, as amended: *Provided*, That, in addition, not to exceed \$500,000 of the funds available for the various programs administered by this agency may be transferred to this appropriation for temporary field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) to meet unusual or heavy work loan increases: *Provided further*, That no part of any funds in this paragraph may be used to administer a program which makes rural housing grants pursuant to section 504 of the Housing Act of 1949, as amended.

75 Stat. 307.
63 Stat. 432;
79 Stat. 498;
82 Stat. 551.
64 Stat. 98.
82 Stat. 477,
498.
82 Stat. 526.

75 Stat. 309.
7 USC 1929.
75 Stat. 187.
42 USC 1484.

58 Stat. 742.

63 Stat. 434.
42 USC 1474.

TITLE III—CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

61 Stat. 584.
31 USC 849.

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, \$12,000,000.

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed \$1,648,000 of administrative and operating expenses may be paid from premium income.

SUBSCRIPTION TO CAPITAL STOCK

To enable the Secretary of the Treasury to subscribe and pay for capital stock of the Federal Crop Insurance Corporation, as provided in section 504 of the Federal Crop Insurance Act (7 U.S.C. 1504), \$10,000,000.

52 Stat. 72;
63 Stat. 665.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

To reimburse the Commodity Credit Corporation for net realized losses sustained in prior years but not previously reimbursed, pursuant to the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), in the following amounts: fiscal year 1961, \$57,047,170; fiscal year 1967, \$2,210,668,971; fiscal year 1968, \$2,948,217,859; in total, \$5,215,934,000: *Provided*, That no funds appropriated by this Act shall be used to formulate or administer programs for the sale of agricultural commodities pursuant to title I of Public Law 480, 83d Congress, as amended, to any nation which sells or furnishes or which permits ships or aircraft under its registry to transport to North Vietnam any equipment, materials or commodities, so long as North Vietnam is governed by a Communist regime.

75 Stat. 391.

80 Stat. 1526.
7 USC 1701-
1710.

LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$32,000,000 shall be available for administrative expenses of the Corporation: *Provided further*, That \$945,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

31 USC 665.

PUBLIC LAW 480

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701-1710, 1721-1725, 1731-1736d), to

80 Stat. 1526.

remain available until expended, as follows: (1) sale of agricultural commodities for foreign currencies and for dollars on credit terms pursuant to title I of said Act, \$420,000,000; and (2) commodities disposed of and other costs incurred in connection with donations abroad, pursuant to title II of said Act, \$500,000,000.

80 Stat. 1534.
7 USC 1721-
1725.

BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

For unrecovered prior years' costs related to strategic and other materials acquired as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to the Act of May 28, 1956, as amended (7 U.S.C. 1856), \$1,250,000, to remain available until expended.

70 Stat. 200.

TITLE IV—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$3,628,000 (from assessments collected from farm credit agencies) shall be obligated during the current fiscal year for administrative expenses.

TITLE V—GENERAL PROVISIONS

Passenger
motor vehicles.

SEC. 501. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed five hundred and fifty-two (552) passenger motor vehicles, of which four hundred and sixty-eight (468) shall be for replacement only, and for the hire of such vehicles.

Employment of
aliens.

SEC. 502. Provisions of law prohibiting or restricting the employment of aliens shall not apply to employment under the appropriation for the Foreign Agricultural Service.

Uniforms,
allowances.
80 Stat. 508;
81 Stat. 206.
Cotton prices,
prediction.

SEC. 503. Funds available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 504. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

Twine.

SEC. 505. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

Contracting
funds.

SEC. 506. Not less than \$1,500,000 of the appropriations of the Department for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts.

60 Stat. 1082;
68 Stat. 574;
72 Stat. 1793.

SEC. 507. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 508. None of the funds in this Act shall be available to finance interdepartmental boards, commissions, councils, committees, or similar groups under sec. 214 of the Independent Offices Appropriation Act, 1946 (31 U.S.C. 691) which do not have prior and specific Congressional approval of such method of financial support.

Interdepart-
mental groups,
expenses.

59 Stat. 134.

SEC. 509. No part of the funds appropriated under this Act shall be used to pay salaries of any Federal employee who is convicted in any Federal, State, or local court of competent jurisdiction, of inciting, promoting, or carrying on a riot, or any group activity resulting in material damage to property or injury to persons, found to be in violation of Federal, State, or local laws designed to protect persons or property in the community concerned.

Persons
inciting
riots, etc.,
prohibition
of payments.

SEC. 510. Positions in the agencies covered by this Act, whether financed from funds contained in this Act or from other sources, may be filled during the fiscal year 1970 without regard to the provisions of section 201 of Public Law 90-364, and such positions shall not be taken into consideration in determining numbers of employees under subsection (a) of that section or numbers of vacancies under subsection (b) of that section.

Ante, p. 83.

This Act may be cited as the "Department of Agriculture and Related Agencies Appropriation Act, 1970".

Short title.

Approved November 26, 1969.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 91-265 (Comm. on Appropriations) and
No. 91-657 (Comm. of Conference).

SENATE REPORT No. 91-277 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 115 (1969):

May 26, 27: Considered and passed House.

July 1, 7: Considered and passed Senate, amended.

Oct. 9: House disagreed to Senate amendments;
agreed to conference.

Nov. 19: House and Senate agreed to conference report.

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